Austria ... Sch. 18	Indonesia .. Rp 2500	Portugal ... Esc 75
Bahrain .. Din.0.650	Italy ...... L 1100	S. Arabia .. Rls 6.00
Belgium ... BFr 38	Japan Y550	Singapore . S$ 4.10
Canada ... C$2.00	Jordan ... Fils 500	Spain ... Pta 100
Cyprus .. Mils 600	Kuwait ... Fils 500	Sri Lanka .. Rup 30
Denmark .. Dkr.7.25	Lebanon .. LL 6.00	Sweden .. Skr 6.50
Egypt .... E£1.00	Luxembourg . LFr 38	Switzerland SFr 2.00
Finland .. Fmk 5.50	Malaysia .. Rin 4.25	Taiwan ... NT $65
France .. FFr. 6.00	Mexico .. Pes. 300	Tunisia .. Din 0.600
Germany . DM 2.20	Morocco .. Dh 6.00	Turkey .... L 160
Greece ..... Dr 60	Netherlands . Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong . HK$ 12	Norway .. Nkr 6.00	U.S.A. $1.50
India .... Rup. 15	Philippines . Pes. 20	

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FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,317 — Thursday May 10 1984 — D 8523 B

Debt crisis: pressure mounts for a new initiative, Page 18

NEWS SUMMARY

GENERAL

Soviets call off Peking mission

The Soviet Union has cancelled a mission to China a day before it was scheduled, without explanation.

First vice-chairman of the Soviet Council of Ministers Ivan Arkhinov was the highest ranking Moscow official invited to Peking since the countries fell out 20 years ago. He was to have held talks on trade and co-operation.

Despite conciliatory moves, relations have been frosty. Some Western diplomats suspect that the Soviet decision is connected with the fact that U.S. President Ronald Reagan visited China just over a week ago. **Page 3. Soviet Olympics pull-out "irreversible". Page 2**

Back to school

Mr Martin Feldstein, chairman of President Ronald Reagan's Council of Economic Advisers, is to resume his post teaching economics at Harvard University on July 10. **Page 20**

Namibian transfer

South Africa is to transfer 15 Namibian prisoners from a top-security jail to Namibia. Talks on Namibia's future start in Lusaka tomorrow. **Page 3**

Lebanese agreement

Lebanese Premier Rashid Karami said agreement had been reached on a new venue for a postponed Cabinet meeting in a mainly Christian area controlled by the Lebanese army, following Druze leader Walid Jumblatt's objection to the presidential palace.

Sharon in favour

Israel's ruling Herut party selected General Ariel Sharon, dropped as Defence Minister because of involvement in the Beirut camp massacres, as fourth in its list of contenders for the July general elections.

Sniper attack

A sniper dressed in military uniform escaped after wounding two people in Quebec city with a shotgun the day after an army corporal killed three people with a sub-machine gun in the province assembly for a time he held his father hostage.

Corsica bombings

Six bombs exploded in shops and buildings in southern Corsica.

Death confession

Belgian police said a bar-keeper had confessed to shooting dead Irishman Brian Flanagan, 18, a Tottenham Hotspur football fan, in Brussels before last night's UEFA Cup final match against Anderlecht, after a street brawl.

Helicopter shot down

A U.S. Army helicopter carrying eight Hondurans was shot down by Nicaraguan anti-aircraft units.

Territorial killed

A territorial (part-time) soldier was killed by a bomb in Newry, Ulster, and two colleagues injured. All three worked for British Telecom.

Panama dispute

Panama's two main coalitions both claimed victory in the general election. Violence continues, and the vote-counting is in some confusion. **Page 4**

Royal engagement

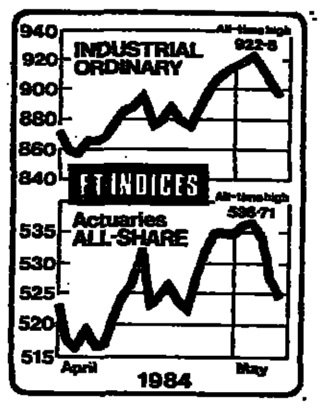
Princess Astrid of Belgium, 21-year-old niece of King Baudouin, has become engaged to Archduke Lorenz of Austria-Este, aged 28, who works as an economist in a Basle bank.

BUSINESS

Strike threat to German industry

IG METALL, West Germany's engineering union, is expected to decide today to strike for a 35-hour-week which could seriously affect production at such companies as Daimler-Benz, Opel, Porsche and Robert Bosch.

WALL STREET: Dow Jones index was down 10.78 to 1,165.52 at the close. **Report, Page 33. Full share prices, Pages 34–36**



LONDON: FT Industrial Ordinary index eased by 0.15 to 896.2. Some government securities showed marginal falls. The FT all-shares index eased 0.5 to 524.86. **Report, Page 37. FT Share Information Service, Pages 38, 39**

TOKYO: Nikkei Dow index edged up 7.85 to 11,060.29, but the Stock Exchange index eased 0.42 to 865.79. **Report, Page 33. Leading prices, other exchanges, Page 36**

DOLLAR fell in late European trading to DM 2.766 (from DM 2.782), FFr 8.4825 (FFr 8.5325), SwFr 2.2775 (SwFr 2.281) and Y228.75 (Y229). Its Bank of England trade-weighting, calculated before the close fell from 131.7 to 131.6. In New York it closed at FFr 8.5537, DM 2.787, SwFr 2.289 and Y229.75. **Page 43**

STERLING rose 65 points to $1.39, and to SwFr 3.1675 (SwFr 3.1575) and Y318.25 (Y317), but fell to DM 3.845 (DM 3.85) and FFr 11.785 (FFr 11.8). Its trade-weighting was unchanged at 80. In New York it closed at $1.3815. **Page 43**

GOLD rose $0.75 in London to $373. In Frankfurt it rose $1 to $373, and in Zurich the rise was $1.75, to $372.75. **Page 42**

THE THREE-DAY meeting in New York of central bankers seeking longer-term solutions to the international debt crisis has ended with bankers satisfied that the aims of the conference have been achieved. There was no mention of any steps which may have been discussed.

HOECHST, the West German chemical group, announced that its world net profits were 187 per cent up in 1983, at DM 909m ($328.6m), but was cautious about second-half prospects this year. **Page 20**

UK LOCAL authority spending looks likely to exceed the limits set by the Government, after two years of substantial underspending.

MONTEDISON, Italy's No 1 chemical group, reported 1983 losses 63 per cent down at L322bn ($190m), first decline in losses since 1979. **Page 21**

CARBERRY MILK PRODUCTS of Cork, Ireland, is to build and manage a $60m plant in California to produce alcohol as a by-product of cheese. **Page 6**

The editorial content of today's international edition has been restricted because of continuing industrial action by IG Druck und Papier at Frankfurter Societäts-Druckerei, where the edition is printed. This prevents the publication of late-breaking news, the final Wall Street report and closing U.S. over-the-counter and Canadian share prices.

Britain and Hong Kong in row over colony's future

BY ALAIN CASS IN LONDON AND DAVID DODWELL IN HONG KONG

A ROW has broken out between the majority of members on Hong Kong's two central governing bodies and the British Government over the conduct of negotiations with China to determine the colony's future.

A 10-man delegation from Hong Kong's Executive and Legislative Councils which arrives in Britain today for talks before next week's Commons debate, last night issued a statement expressing "deep concern" and "great disappointment" at the prospect of Chinese sovereignty over the territory after 1997.

In their statement, Hong Kong's so-called "unofficials" – non-government members of the two councils appointed by the governor – imply strongly that unless an acceptable agreement is found providing for a smooth transition, "a collapse in confidence before 1997" would make the territory "virtually ungovernable."

The statement could not have come at a worst time for Britain. Talks on the future of Hong Kong, which began in 1982 when Mrs Margaret Thatcher, the British Prime Minister, visited Peking, resume in the Chinese capital today.

Sir Geoffrey Howe, the Foreign Secretary, told a joint session of the Executive and Legislative Councils in Hong Kong after talks in Peking last month that Britain will hand over sovereignty and administration after 1997. That is when British leases on most of the territory expire.

The statement, which claims to be an accurate reflection of the views of the territory's 5m people, asks how the British Government proposes to find out whether an agreement is acceptable to the people of Hong Kong and what Whitehall would do if all or part of such a deal is not approved.

The group says an agreement would only be acceptable if:

- It contains full details of how it will work.
- Provides workable assurances that it will be honoured.
- States that China's Basic Law governing Hong Kong will incorporate the agreement.
- Guarantees the right of British nationals.

The group, led by Sir S. Y. Chung, a top industrialist, plans to spend a week in Britain lobbying MP's and government officials.

One Hong Kong Government official said: "The general view in Hong Kong is that, while Britain's effective concession of sovereignty is not exactly a sell out it's a big let down." We want Britain to seek more secure guarantees than it is apparently prepared to do."

The group wants Britain to insist on a residual role after 1997

Hong Kong prime rate rises; Concern over talks, Page 3

China to open 14 cities for foreign trade

By Nancy Dunne in Washington

CHINA WILL open 14 coastal cities as well as the strategically located Hainan island to foreign trade and investment, Chinese trade officials meeting in Washington said yesterday.

Details about the new trade zones are still sketchy, but U.S. Commerce Department officials said they expected the Chinese to offer advantageous investment conditions in the areas – with fewer incentives, however, than are now available in the special economic zone of Guang Dong province.

They view as particularly significant the opening of Hainan island in the Gulf of Tonkin, once the subject of tension between the U.S. and China.

The 14 cities are: Dalian (once Port Arthur), Qin Huang Dow, Shanghai, Guangztiou (once Canton), Tianjin, Yantai, Qingdao, Lianyungang, Nantong, Nengbo, Wenzhou, Fuzhou, Zhanjaing and Beihai.

Madam Chen Muhoa, China's top foreign trade official, told reporters that China will "persist in its policy of opening to the outside world and will also become more flexible in many fields."

She also called on the U.S. to repeal "artificially imposed obstacles and problems that restrain the (trade) potential from being tapped" and cited as particular irritants, provisions in laws which deny the Chinese Eximbank credits and status in its generalised system of preferences.

In Washington to attend the second high-level U.S.-China joint commission on commerce and trade, Madam Chen and Mr Malcolm Baldrige, the U.S. Commerce Secretary, announced agreement on work programmes which follow up the industrial and technical co-operation agreement signed in January by President Ronald Reagan and Prime Minister Zhao Ziyang.

The two sides also signed four agreements for U.S. funding of feasibility studies on projects relating to China's oil and natural gas exploitation, as well as technical transformation of existing metallurgical enterprises.

Agreement was also reached to continue negotiations in September on a bilateral investment treaty.

Soviet Union cancels visit, Page 3

Paris faces test over Amrep rescue

BY DAVID MARSH IN PARIS

THE FRENCH Government's industrial policy faces a fresh challenge after Amrep, one of the country's leading oil drilling service companies, revealed yesterday that it urgently needs more than FFr 1.5bn ($177m) to stave off collapse.

News of Amrep's crisis, made in an audit of the company's books by Arthur Andersen, is likely to thwart a previously-agreed takeover plan by Bouygues, France's leading construction group. It also looks likely to provoke a fresh furore over the collapse in March of Amrep's share price on the Paris bourse.

Amrep has wide-ranging contracts with international oil companies, including extensive activities in the British and Norwegian sections of the North Sea. It now faces the threat of bankruptcy because its recent losses greatly exceed its estimated net asset worth of around FFr 470m.

The board of the company, in which Total, the French state oil group and the Paribas investment banking group are major shareholders, is meeting this morning to decide whether a rescue package can be put together.

Bouygues' takeover of the company was agreed last month on the understanding that Amrep's losses for last year were around FFr 400m. The audit shows that the group actually lost FFr 823m last year.

Allowing for further losses expected this year and next, as well as for provisions against additional risks and restructuring costs, Amrep said total deficits to be financed are more than FFr 1.4bn.

Faced with the threat that a leading company in a strategic energy sector might file for bankruptcy, the French Government is certain to be drawn into discussions about a possible rescue.

The Government and nationalised banks, however, are taking a tough line on the appeal for fresh funds made last month by Creusot-Loire, the country's leading engineering group, which has just filed for a three-month debt moratorium under French bankruptcy laws.

M Francis Bouygues, Bouygues' chairman, said yesterday that in preliminary contacts, the Government had already told him that the state would provide "not a penny" to help bail out Amrep.

M Bouygues pointed out, however, that Amrep employs around 7,000 people in France and abroad and is believed to owe around FFr 1bn to nationalised banks. "If Amrep went bankrupt, they would never see that money again," M Bouygues said.

He reaffirmed Bouygues' interest in taking control of Amrep and acquiring access to its deep water drilling technology.

Stating that Amrep's total losses might "perhaps" be as high as FFr 1.7bn, M Bouygues said his company would have been willing to inject several hundred million francs into Amrep on the basis of the previously accepted loss figure. But the new estimate was plainly beyond Bouygues' capabilities.

Amrep's financial difficulties have been caused mainly by big losses on drilling contracts in Brazil, Nigeria and Venezuela. Bouygues is holding talks with Britoil, British Gas and the Offshore Suppliers Office (OSO) about extending Bouygues' guarantee to enable Amrep's North Sea activities to continue.

Continued on Page 20

Strong $ may not be sustainable, says Pöhl

By David Lascelles in London

THE HUGE deficit on the U.S. current account and the strong dollar may not be sustainable, but attempts at correction may risk a sharp drop in the value of the U.S. currency, Herr Karl Otto Pöhl, president of the West German Bundesbank, said yesterday in London.

Herr Pöhl doubted that the U.S. could continue to attract capital inflows at a big enough rate to finance the current account deficit.

However, he said, "the risk cannot be excluded that a change in capital flows could lead not only to a 'normalisation' of the dollar exchange rate – which would certainly be welcome – but to an overshooting in the other direction as well, as we saw in 1977–78."

Herr Pöhl was also worried that the recent rise in U.S. interest rates could have a damaging economic effect by producing not the desired "soft landing" but a recession.

The rise in U.S. rates was also worrying because of its impact on the debt servicing costs of troubled countries. But in calling on banks to provide "fresh money" he also saw a need for "fresh ideas" in dealing with the debt problem.

"There is a growing understanding in the banking community that the debt problems has to be handled with a longer perspective and not only from year to year, or even from quarter to quarter. The phase of muddle-through should be replaced by a phase of longer-term consolidation, even if this has some inconvenient consequences in the profit and loss account of some banks," he said.

In urging a continuing contribution from the banks, Herr Pöhl warned that there were limits on funds from official sources.

Many countries, including West Germany, faced political or legal

Continued on Page 20

Loan rates rise 'will not harm UK recovery'

BY PHILIP STEPHENS IN LONDON

BRITAIN'S LEADING banks raised their base rates to between 9 and 9¼ per cent yesterday as the surge in U.S. interest rates prompted growing unease in Europe's financial markets.

The move, which came in response to strong pressure in London's money markets, was led by National Westminster Bank which increased its base rate to 9 per cent from 8½ per cent, a rise quickly matched by Lloyds.

Barclay's also raised its rate by ½ point, but this took it to 9¼ per cent, while the smallest of the London clearing banks, Midland, broke ranks by increasing its rate by ¾ point to 9¼ per cent.

The rise was the first upward move in Britain's lending charges since January 1983, ending a run of five consecutive falls. Base rates last fell in March when most banks cut the level to 8½ per cent.

Mr Nigel Lawson, the UK Chancellor of the Exchequer, said yesterday's rise would not jeopardise economic recovery, calling it "an unwelcome interruption to the downward trend of recent years."

But in a clear reference to the dangers posed by rising U.S. borrowing costs, he said: "Though we have succeeded in keeping UK rates below those rates of the United States, we cannot be wholly immune to upward pressure generated from across the Atlantic."

Although the increase will be unwelcome news for British industry, adding about £135m ($188m) to its costs over a full year according to the Confederation of British Industry, the Government can draw comfort from the fact that it seems unlikely to prompt an immediate increase in mortgage rates.

Mr Lawson's views on the impact of North American rates were echoed by Herr Karl Otto Pöhl, president of the West German Bundesbank.

Speaking in London, Herr Pöhl gave a clear warning that there was a limit to the extent which European economies could "de-couple" their interest rates from the U.S. in the face of the rising value of the dollar.

"Interest rate differentials have reached unprecedented magnitudes ... how long and how far can we 'de-couple' our own interest rates from U.S. rates?" he said.

The West German central bank has been selling large amounts of dollars in foreign exchange markets this week – estimated at between $400m and $500m – in an attempt to slow the dollar's rise against the D-Mark.

Mr Lawson made it clear that the U.S. budget deficit and high U.S. interest rates would be one of the key topics on the agenda of next month's world economic summit in London, where President Reagan is expected to face concerted calls for action to cut the deficit.

Fears about developments in the U.S. economy were also reflected in some uneasiness in London's financial markets after the base rate increases.

Some analysts said that National Westminster Bank and Lloyds might have underestimated the extent of the rise needed to bring rates back into line with money market levels. They predicted a further increase if U.S. rates moved higher.

The Bank of England did not operate in the markets yesterday, but is expected to endorse a rise in its dealings today.

Interest rates declining, Page 7; No UK boom this time, Page 19; Lex, Page 20; Money markets, Page 43

U.S. move to close 'non-bank' loophole

BY PAUL TAYLOR IN NEW YORK

THE U.S. Comptroller of the Currency yesterday imposed a temporary moratorium on the setting up of "non-banks" – banking offices able to accept deposits and offer a wide range of other services, including personal, but not commercial, loans – which have been seized upon by the major U.S. banks as a way around inter-state banking restrictions.

The move, which follows a rash of applications by the major U.S. banks to exploit a regulatory loophole in the existing U.S. inter-state banking regulations, is seen as an attempt by the Comptroller, Mr C. T. Conover, to force swift action by Congress on the issue.

Mr Conover said the moratorium will affect all applications covering the setting up of non-banks filed since March 31 and will extend until the end of the current session of Congress on May 25.

Since March, when the Federal Reserve Board approved an application by the United States Trust Company of New York to open a consumer, or non-bank, in Florida, there has been a rush of applications, including those filed by virtually all the major U.S. banking groups and one from Barclays Bank of the UK, to open offices across the U.S.

Mr Conover said his office, one of the main U.S. bank regulatory authorities, would continue to accept applications for non-bank banks but would not issue decisions. However, he added that if Congress did not pass a banking deregulation bill in the current session, he would be forced to approve the applications.

● The Securities and Exchange Commission (SEC), the governing body for the U.S. stock markets, is to press Congress for a new law prohibiting companies from buying back large blocks of their own shares at a premium, writes **Terry Dodsworth in New York.**

The decision, part of a number of changes being demanded to curb takeover excesses, follows growing use of this tactic over the last few months by companies which here afraid that they might be the target for hostile takeover bids from major shareholders.

$2.3bn bid for City Investing

By Paul Taylor in New York

AN INVESTOR group led by Merrill Lynch, the Wall Street securities firm, yesterday made a bid to takeover City Investing, the New York-based diversified group, in a cash and paper leveraged buyout deal valued at $2.3bn, including $1.57bn in cash.

The offer by the group, which also includes Mr George Scharffenberger, chairman and chief executive of City Investing, and other senior managers, was expected following City Investing's announcement on Tuesday that it had been approached by "a major financial institution" interested in acquiring the company.

City Investing's shares were suspended yesterday ahead of the announcement at $43¾ putting a $1.7bn price-tag on the company. On Tuesday the shares had jumped $6 to $43.25.

Under the terms of the Merrill Lynch-led offer, shareholders

Continued on Page 20

CONTENTS

EUROPEAN NEWS

Moscow seeks to bind Poland more closely

BY CHRISTOPHER BOBINSKI IN WARSAW

A VISIT to Moscow is an important event for any East European party leader, signifying that *special kind of* Soviet support which helps keep ambitious domestic rivals in check.

Last weekend's trip to the Soviet Union by General Wojciech Jaruzelski, Poland's military leader, served publicly to underline good relations between the Polish and Soviet leadership following the death *of Mr Yuri Andropov* and the elevation of Mr Konstantin Cherneko.

While there, the general signed a document outlining economic co-operation up to the end of the century 2000 and suggesting higher links, above all in the heavy industrial and raw materials sectors.

It was only yesterday, however, that a Polish politburo communique revealed that Moscow was ready to agree to Poland's request to delay until after 1990 repayments of the deficits it has run up on its trade with the Soviet Union between 1980 *and presumably* 1987.

The document, however, holds out little hope that Moscow would meet a crucial Polish desire for a significant increase in *supplies of oil* and gas.

Given Soviet domestic needs and hard currency export requirements, such an increase *for Poland could only come at* the expense of other East European countries who could be expected to resist.

Indeed, the implication of the visit is that significant improvements in the quality and quantity of Polish exports to the Soviet Union will have to be forthcoming if future energy needs are to be anywhere near fulfilled.

On the political side, the Soviet leadership seems to have resigned itself to the thought that "normalisation" will take longer than hoped and that demonstrations, such as as those at the start of May, are likely to recur for some time.

Agreement also appears to have been reached on freeing Poland's political prisoners, *including the four members of* the KOR dissident group and 11 Solidarity figures. The pragmatic policies designed to isolate the Solidarity activists and deflate the hopes generated during the Solidarity period without provoking a general revolt seem to have won Mr Chernenko's qualified approval.

Concessions, however, are only to be tactical and must not threaten the basic structures of power. Thus, contacts are to be stepped up between the Communist parties and a premium put on ideological co-ordination with the aim of re-establishing the party in its traditional Soviet-style "leading role."

This would signify an end to the ideologically risky theorising, seen in the Polish Press last year, about the specifics of a "Polish road to Socialism."

Mr Zbigniew Bujak, fugitive head of the Warsaw chapter of the banned Solidarity movement, is opposing the tearms of an amnesty for Poland's political prisoners, according to an underground publication, AP reports. Eleven prominent Solidarity members, who are in detention awaiting trial on charges of seeking to overthrow the *government*, have *rejected* both the Government's amnesty plan and a separate United Nations offer of temporary asylum outside Poland.

Soviet Olympics pull-out 'irreversible'

By Anthony Robinson

THE SOVIET Union's decision not to take part in the Los Angeles Olympic Games was "definite and irreversible" Mr Yuli Vorontsov, the Soviet ambassador to France stated in Paris yesterday.

Speaking at the opening of an exhibition of works of art from Soviet musemus, Mr *Vorontsov added.* "*The* Soviet Union could not tolerate the unacceptable commercialisation of the games." He repeated official Soviet claims that "the U.S. Government had never agreed to guarantee the security of Soviet athletes following *the* threats to which they were subjected."

Mr Vorontsov's forthright statement of Soviet intentions contrasted with the efforts of Western Olympic organisers to find hints of Soviet willingness to recon*sider their decision in the* more ambiguous words of lesser Soviet officials and Soviet propaganda specialists such as Mr Georgi Arbatov, head of the Soviet U.S. and Canada Institute.

Asked about the Soviet de*cision on U.S.* breakfast television, Mr Arbatov said. "I would be glad if it (Soviet *participation) would materia*lise because I am sure Soviet athletes and other people would like to compete with Americans and have good feelings towards U.S. athletes and towards American fans and people in general."

On the strength of this and similar remarks Mr Peter Ueberroth, president of the Los Angeles Organising Committee who met President Reagan yesterday and who took part in the same programme, said: "I think they will receive assurances from the U.S. Presdent, assurances from our Government that they will protect the (Soviet) athletes. I think there's at least one more page to turn."

Meanwhile, it is now clear that the Soviet Union did not communicate its decision in advance to the governments or Olympic committees of its Warsaw Pact allies who will be meeting in the next few days to review the situation.

They are expected to be under strong, and almost certainly irresistible pressure, *from Moscow to follow the* Soviet lead, with the possible exception of Romania.

A decision not to attend will be especially resented in East Germany which has devoted vast resources to building up a highly competitive and successful Olympic team and training athletes to compete, not only against the world at *large, but especially against* athletes from West Germany.

Victory at the Olympics is usually seen by all Warsaw Pact countries as tangible and widely publicised proof of the superiority of the *socialist* system.

The fear that athletes might defect while in Los Angeles differs greatly from country to country. Poles and Hungarians have relatively liberal travel rights

John Moore writes: Insurance underwriters in the U.S. and the UK were yesterday attempting to assess what the likely insurance claims could be from the Russians' withdrawal from the games.

The primary insurance underwriter is the U.S. Fireman's Fund, part of American Express, and the group in turn has laid off large parts of its exposure in the form of reinsurance with Lloyd's underwriters.

Europe urged to put astronauts in space by end of century

BY PETER MARSH IN NOORDWIJK

WESTERN *EUROPE should* develop by the end of the century the technology to put people into space. Professor Hubert Curien, chairman of the European Space Agency (ESA), said yesterday.

Prof Curien, regarded in Europe as "Mr Space," favours the development of what he calls a "mini-bus" for space operations. which would be launched on top of an especially powerful version of Western Europe's Ariane rocket.

Called Hermes, the vehicle would have room for several astronauts and cost £500m to develop.

Prof Curien, who is president of the French National Space Agency and of the European Science *Foundation*, says Western Europe must have the ability to put people above the atmosphere to avoid being "second class" in technology to the U.S. and the Soviet Union.

He was speaking at the ESA's scientific laboratories at Noorwijk, in the Netherlands, at a ceremony to mark 20 years of co-operative efforts by Western Europe in space science and technology.

The 11-nation agency spends some £550m a year on space projects, including the Ariane *launcher, the orbiting space* laboratory, and satellites for telecommunications and observation of the earth. Most of the construction work for space hardware is carried out by European industry.

Prof Curien said that Western Europe should join the U.S. in an unmanned venture to Mars. In the £750m project, *mooted for the late 1990s, robot* "rover" vehicles would wheel over the planet's surface relaying information to earth.

High on the agenda at the *ceremony, attended by several* hundred representatives of West European governments and aerospace industries, was President Ronald Reagan's invitation for foreign countries to take a share in the £6bn space station which the U.S. plans for the 1990s. This would house laboratories and prototypes of space factories.

*Prof Curien said that negoti*ations with the U.S. had been "encouraging." Western Europe should contribute between 5 and 20 per cent of the cost, he said.

Possible points of disagreement over the station include the cash that foreign countries should pay in maintaining the space base, whether vehicles other than the U.S. space shuttle can dock with it and the exact nature of the technical work that participating nations would undertake.

Besides Western Europe, the U.S. has also invited Canada and Japan to participate. President Reagan wants the leaders of other developed countries to give their approval to the orbiting outpost at the *six-nation economic summit in* London early in June.

As a prelude to securing Canada's *involvement, the U.S.* plans to take Canada's first astronauts into space on a *shuttle flight* in October.

At yesterday's festivities, Mr Erik Quistgaard, the ESA's Danish director-general, indicated that Western Europe could put aside its differences on issues such as farm prices and EEC payments to forge a common policy on hardware for use above the atmosphere.

"Space represents a fundamental base in high technology," he said. "If we do not proceed at a European level, then in 10 to 20 years we may be lost."

'Bretton Woods' initiative loses steam

By David Marsh in Paris

PRESIDENT Francois Mitterrand's grandiose initiative, launched a year ago, aimed at organising a new Bretton Woods conference to improve the world monetary system is foundering badly *after* several months of inconclusive discussions by central bankers and Treasury officials.

As a result of the President's suggestion, made to an audience of about 50 ministers from industrialised countries in Paris last May, international financial organisations have drawn up a number of reports on improving co-ordination of exchange rates and capital movements.

A further meeting of top officials is due in Paris on May 16 to discuss progress so far, ahead of a full-scale meeting of minis*ters and central bank governors* from the Group of Ten industrial countries (11 counting Switzerland) scheduled for Rome on May 19.

However, serious disagreement among the main countries, involving especially the U.S., has prevented any real progress.

Experts from the International Monetary Fund, the Organisation for Economic Cooperation and Development and the Bank for International Settlements, have put considerable brainpower into reports on exchange rates and international liquidity.

But, according to one senior central banker involved in the discussions, President Mitterrand's proposal of a full-scale conference "is now completely out of the question."

The main stumbling block, he said, has been the refusal of the U.S. Administration to discuss links between the dollar exchange rate and the controversial subjects of the Administration's fiscal and monetary policies.

"You can forget about the Group of Ten exercise," *he said.* "The meetings will go on for another six months without any conclusion."

Sig Lamberto Dini, director general of the Bank of Italy and chairman of the Group of Ten deputies who will discuss the reports in Paris on May 16, takes a slightly more optimistic view.

Calling the discussions "ongoing work" which "will lead to some proposals to strengthen the international monetary system," Sig Dini said the Group of Ten Ministers in Rome will hear a "progress report" from the deputies on their talks so far.

"We will be getting guidance on which aspects should be examined further with a view to arrive later at concrete suggestions," he said.

However. officials generally are pessimistic about the possibility of persuading the U.S. Government to change its basic policy of allowing the dollar exchange rate to be dictated by market forces rather than through international attempts at controlling currencies.

Doubts about the prospects for any changes in U.S. policy on the dollar have increased during the run-up to the presidential election. During the election period, Washington is likely to be even less receptive to international pressure that it should take into account non-domestic factors in drawing up monetary and fiscal policies.

Italian rates cut

Credito Italiano yesterday became the second Italian bank to reduce its prime rate to 17 per cent from 17.5 per cent with immediate effect, Reuter reports from Milan. It followed a *similar* move by Banca Commerciale Italiana.

Council of Europe votes in Turks

BY JOHN WYLES IN BRUSSELS

THE ASSEMBLY of the Council of Europe in Strasbourg has marked a further step in Turkey's return to democratic respectability by voting to accept a dozen representatives from the Turkish Parliament.

The decision was taken on the eve of a two-day debate which began yesterday on a resolution welcoming moves back to democracy but stressing continuing concern at restrictions on political liberties and human rights.

The considerable resistance among the Left in Europe to giving Turkey the seal of respectability was clear from the assembly vote which was 91 in favour of seating the Turkish delegation and 50 against with 10 abstentions. British Conservatives and Continental Christian Democrats and Socialists formed the majority, with Socialists and Communists in *opposition*. West German Socialists abstained.

Socialist representatives complained about the decision being taken before the assembly had debated the report and resolution on the *internal political* situation in Turkey. The report has been based on the results of a fact-finding mission by members of the assembly's political and legal affairs committee.

The resolution to be voted today has been drafted by a Austrian Christian Democrat, Herr Ludwig Steiner. It calls *for a further democratisation*, the abolition of martial law throughout Turkey, an amnesty for those convicted for their political opinions and full freedom for all political parties.

East Germany exceeds growth target

By Leslie Colitt in Berlin

EAST GERMANY says that economic growth in the first four months of this year was 5 per cent. This bettered the plan target of 4.4 per cent growth in national income (roughly equivalent to GNP minus services).

Net industrial production, an economic indicator which now has a central role, rose by 7.8 per cent compared with a target of 8 per cent. Labour productivity is said to have risen by *6.9 per cent, falling just short* of the 7.3 per cent target.

Retail trade turnover, one measure of the standard of living, rose 5.3 per cent compared with a target of 2.2 per cent growth and virtual stagnation last year. Some of the growth, however, may have been due to hidden price increases.

● Hungary said *yesterday* that its industrial production rose 5.2 per cent in the first quarter of the year compared with a target of only 1.5 to 2 per cent.

The sharpest increases were recorded in the food processing industry, 10.5 per cent, and mechanical engineering, 8.3 per cent.

Imports rose 9 per cent in the period and exports by 9.5 per cent. Hungary had said it was relaxing curbs on imports from the West in the light of an improving payments situation.

Rumbling in Papandreou's ranks

BY ANDRIANA IERODIACONOU IN ATHENS

THE GREEK Prime Minister, Mr Andreas Papandreou, is expected to face some disaffection among the ranks of his Panhellenic Socialist Movement (Pasok), which holds its first ever congress this week in Athens.

There is particular disquiet over last *summer's legislation* making it more difficult to call a strike in the public sector, and doubt about the renewal last September of the U.S. lease on four military bases in Greece for another five years.

Pasok swept to power in the general election of October 1981 ending half a century of virtually uninterrupted right-wing rule in Greece. The party, which was formed after the collapse of the colonels' junta in 1974, grew rapidly into an important political force under the charismatic Mr Papandreou, its founder and leader.

This week's congress, which *begins today and will* run for three days, will be attended by 2,400 delegates from all parts of Greece. Over the past 10 years, Mr Papandreou has moulded the party in his image both through force of personality and through a policy of immediately expelling dissidents from the Pasok ranks.

Mr Papandreou has never been elected party leader, but he will be the only candidate for the post at the congress and his election is regarded as a formality.

After his election victory, he transferred his highly personalised style of leadership to the level of government, where he has been acting as the sole arbiter of policy. It is aspects of this policy which have created discontent at rank-*and-file level*

The congress will discuss organisational matters and also approve a new Pasok charter,

Cyprus plan criticised

ATHENS – Mr Andreas Papandreou, Prime Minister of Greece, accused President Ronald Reagan yesterday of deliberately "misleading public opinion" and encouraging Turkish aggression with his latest proposal on the Cyprus issue.

Mr Papandreou attacked President Reagan's plan, announced on Tuesday, to set up a $250m Cyprus peace and reconstruction fund to be used when the 10-year-old crisis on the divided island is resolved.

"The U.S. President is trying to mislead public opinion over the true facts and real situation on Cyprus and is keeping quiet about Turkey's illegal acts of aggression," the statement issued by the Greek Prime Minister said.

Mr Papandreou accused Mr Reagan of not mentioning "constant Turkish Cypriot and Turkish violations" of UN Security Council resolutions AP

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Dutch trade unions start new set of wage talks

BY WALTER ELLIS IN AMSTERDAM

TRADE UNIONS in the Netherlands are preparing for a hard summer of bargaining with state and private sector employers. A new round of wage talks is about to start throughout the country and unions feel they *must stand firm or risk* a significant cut in the standard of living of their members.

The centre-right government of Mr Ruud Lubbers is hoping to cut public sector wage costs by Fl 2.7bn (£627.9m) in 1985 and has already introduced a package of social welfare reforms which will reduce unemployment and disability benefits by Fl 760m (£176m) this year alone.

Last December, the government succeeded in forcing the unions to accept a cut in public sector wages of 3 per cent.

Employers in the private sector are, on the whole, less demanding of their workforces. But here, too, there are problems. Traditional pay awards based on a wage-price index are fast becoming a thing of the past and unions everywhere are being asked to moderate claims that were already slight by standards in much of the rest of Europe.

Yesterday, the FNV, larger of the two Dutch trade union federations with nearly 1m members, called on industry to give a more positive role in wage talks to the works councils linking management and workers. The FNV sees a positive response to this request as something of a test of attitudes in advance of a difficult period of talks on pay and hours.

A reduction in the Dutch working week, from 40 hours to 36, is gradually taking place. Bank workers and print workers have led the field, but more than 1m employees are now affected and there have been calls from the unions and from the Labour Party for further reductions for the 1990s.

Portugal demands priority

STRASBOURG — President Antonia Ramalho Eanes of Portugal told the Council of Europe assembly yesterday that his country should receive priority over Spain in the two nations' applications to join the European Community.

Addressing the 21-nation assembly, Sr Eanes said the Community should not link the continuing discussions on Portugal's accession with the simultaneous negotiations on Spain's application for membership.

"We applied first and we should be admitted first," Sr Eanes said. "Most of the difficult problems in Portugal's negotiations with the European Community have been resolved,

He said Portugal had made a number of significant concessions,
AP

Soviet Union cancels minister's visit to China

BY MARK BAKER IN PEKING

THE SOVIET UNION has cancelled without explanation the visit to China by one of its high-ranking officials a day before he was to arrive in Peking.

Mr Ivan Arkhipov, first vice-chairman of the Soviet Council of Ministers, was the most senior Soviet official to have been invited to China since the two countries fell out 20 years ago.

Mr Arkhipov was to hold talks on improving trade and co-operation. Recent reports from Soviet officials suggested that, for the first time since the rift between the two countries in 1960, the Soviet Union was poised to assist China in its economic modernisation programme.

Qian Qichen, the Chinese Vice-Foreign Minister in charge of the current talks with the the Soviet Union, is due to go to Moscow for another round in the next few weeks, but it was not clear last night whether the visit will go ahead.

The sudden postponement of Mr Arkhipov's visit astonished western diplomats who suspect it is linked with Moscow's strong opposition to the recent visit to China by Mr Ronald Reagan, the U.S. President.

The Soviet Union gave no explanation for the cancellation, saying only that the trip "has been postponed for some time." Tass, the official news agency, said the move was made "under a mutual agreement" with Peking.

A spokesman for the Chinese Foreign Ministry announced this afternoon that, at the proposal of the Soviet side, Mr Arkhipov's visit "will be postponed for some time."

"The Soviet side said that they are not fully prepared," said Mr Qi Huaiyuan, the Ministry's information director.

Mr Arkhipov, an economic specialist, was due to arrive in Peking tomorrow morning on the weekly Aeroflot flight from Moscow. It is believed that the Chinese, who confirmed publicly the dates for the visit last week, were not advised of the cancellation until late this morning.

Mr Arkhipov was due to discuss closer trade, economic and scientific co-operation and to meet Chinese officials up to at least the level of vice-premier.

The cancellation comes after a series of strident attacks by the Soviet news agency, Tass, on the visit by Mr Reagan to China. The Soviets have accused China of entering an alliance with the U.S. and its allies.

China and the Soviet Union have also been exchanging strong criticism of each other over skirmishing on the Sino-Vietnamese border

Blazing Gulf tanker may be total loss

By Mary Frings in Bahrain

FIRES continued to rage yesterday throughout the 117,000 dwt Al Ahood, the Saudi-owned oil tanker, which is presumed to have been hit by an Iraqi missile when it was set ablaze on Monday night in the exclusion zone declared by Iran.

The Al Ahood is expected to be a total loss. Selco, a company based here, is believed to have been granted salvage rights but it has apparently been unable to send out any vessels because the tanker is in Iranian territorial waters.

In Kuwait, Sheikh Ahmed Zaki Yamani, Saudi Arabia's Minister of Oil, was quoted yesterday as saying that Arab-owned tankers should avoid lifting oil from Iranian terminals because of the hazards involved in sailing through the war zone.

The Iraqi attack on another Saudi-registered vessel, the 357,000 dwt Safina al Arab, was "not deliberate because it is difficult for military planes to distinguish between and identify such targets."

The Al Ahood had just lifted a cargo of oil from Kharg Island, Iran's main oil terminal. So, too, had the Safina al Arab.

In Riyadh, meanwhile, Prince Sultan, Saudi Minister of Defence, denied that any Saudi-owned tanker had been hit in the Gulf this week. The Al Ahood is owned by Amar Line Maritime Company, which is based in Jeddah.

● In a speech quoted by official Iranian news agency Hojatoleslam Al Akbar Hashemi Rafsanjani, Speaker of the Parliament, hinted that Iran might use kamikaze-style tactics "to control waterways and block the way for smugglers."

Chris Sherwell profiles the Prime Minister of the Philippines

Virata learns the rules of political survival

MR CESAR VIRATA, Prime Minister and Finance Minister of the Philippines, has a reputation for being a shy, diffident technocrat, reluctantly drawn into a dirty political game by national duty but reassuringly above it when crucial decisions are made.

It is an image which has won his government the support of international bankers. But, to judge by Mr Virata's bid for a seat in the National Assembly at next Monday's elections, it is also an image which needs refinement.

He has plunged into his first ever campaign, in his home province of Cavite, outside Manila, and stands happily with the firebrands of the ruling New Society Movement, attacking the opposition and defending popular government spending programmes.

In short, Mr Virata has learnt that such support has become essential to his political survival and that he wishes to continue in office.

Twelve months ago he came under bitter attack from other Cabinet members for the austerity policies he had begun under an IMF programme.

Since then the Philippines has been plunged into a $25bn (£17.8bn) debt crisis, the government has been caught cooking its books and a string of tough crisis measures to secure a rescheduling—including the third devaluation of the peso in a year—has been held up by the election.

Some bankers believe Mr Virata ought to have resigned before now and that his image has already lost some of its lustre. Listening to him on the stump, there is not warning of the austerity to come and that is worrying. mw m bm

But Mr Virata, the politician, faces as tough a contest in Cavite, which has three seats. The opposition is stirred by last year's assassination of opposition leader Benigno Aquino, and an assemblywoman ditched by the ruling party is fighting back as an Independent in a campaign believed to be funded by Mr Virata's critics.

With the government party virtually assured of an overwhelming majority in the election, these critics are already preparing their ground for the post-election economic battle. Mr Virata needs the strong political base conferred by a big victory to take them on. But the question remains whether he may now be too compromised to do so, assuming he still wants to.

Doubts grow over Gadaffi coup attempt

BY PATRICK COCKBURN

THERE WAS growing doubt yesterday that any coup attempt against Col Muammer Gadaffi, the Libyan leader, had taken place in Tripoli and Western diplomats insisted that firing in the city on Tuesday was limited to an attack on a dissident cell by the security forces.

There is no sign of any damage to the headquarters of Col Gadaffi despite claims that it had come under heavy attack on Tuesday according to a French journalist who interviewed the Libyan leader.

Col Gadaffi said three infiltrators were intercepted on the Tunisian border with Libya on May 6. One was killed but the others gave the names of a dozen other anti-Gadaffi dissidents who had rented an apartment in central Tripoli.

These were killed by the Libyan security forces and their bodies exposed in Tripoli's main square. This account of events fits in with reports from local businessmen and diplomats who say there is no evidence of an attack on the Bab al Azzazia barracks on the airport road where Col Gadaffi lives.

This contradicts full and detailed reports from the Italian news agency Ansa which reported that a commando unit firing automatic rifles and rockets had attacked Gadaffi's headquarters.

Col Gadaffi's account of what happened, given to Dr Eric Rouleau of Le Monde as he attended a horseshow in Tripoli, is more in keeping with stories told by local eyewitnesses. It appears that the plot by members of the National Front for the Salvation of Libya was nipped in the bud after its leaders were captured entering the country.

Col Gadaffi said these men were carrying Sudanese diplomatic passports and claimed to be Palestinians but spoke Arabic with Libyan accents. They carried the names, addresses and telephone numbers of conspirators in Tripoli as well as lists of Libyan officials whom they planned to assassinate.

Site agreed for Cabinet

BY NORA BOUSTANY IN BEIRUT

LEBANESE Prime Minister, Rashid Karami, announced yesterday that there was agreement on an official site for a postponed Cabinet meeting following objections by Mr Walid Jumblatt, Druze chief, to the Baabda presidential palace, the traditional venue.

Mr Jumblatt declared yesterday that it was too dangerous for him to travel to Baabda, north-east of Beirut. The area is controlled by the Lebanese army and is mainly Christian.

Mr Karami said proper measures would be taken to guarantee the safety of today's Council of Ministers session but he declined to specify the exact location.

Namibian prisoners moved

BY JIM JONES IN JOHANNESBURG

FIFTEEN Namibian prisoners are to be transferred by the South African authorities from the maximum security Robben Island jail in South Africa to prisons inside Namibia, Mr Kobie Coetsee, Minister of Justice, announced in Cape Town yesterday.

The transfer is seen in diplomatic circles as a prelude to the men's release ahead of talks on Namibia's future due to start in Lusaka tomorrow.

The South Africans over the past few weeks have proffered various olive branches to the Namibian independence movement, Swapo. Last Wednesday it was announced that there were plans to release a number of Swapo members being held prisoner at an internment camp at Mariental to the south

Hong Kong prime lending rates raised

BY DAVID DODWELL IN HONG KONG

PRIME LENDING RATES in Hong Kong were raised by one per cent this morning to 12 per cent as fresh increases in U.S. interest rates made it impossible for the Colony's banks to resist pressure for a rise.

The Hong Kong and Shanghai Banking Corporation and Chartered Bank, which together effectively determine the local interest rate, made the announcement after the Hong Kong stock market had closed and in the wake of another steep fall in the Hang Seng index. It closed 29.94 points down at 939.71, its lowest level since January 7.

Market analysts said an increase in local interest rates had been largely discounted by the stock market, which has seen a steady outflow of funds in recent weeks as investers have preferred to reap the higher earnings which can be generated by investment in the U.S.

They predicted that high interest rates were unlikely to be sustained at high levels in Hong Kong for long, largely because the colony's exports are growing strongly and because inflation rates are declining.

In the short term, higher interest rates may stem the outflow of funds to the U.S., but analysts argue that the lack of market confidence stems more from worries over the colony's future beyond 1997 than it does from interest rate policies.

Colony expresses concern over handling of talks with China

Hong Kong "Unofficials"—the majority of members of the Colony's Executive and Legislative Councils (the central organs of government)—issued a strongly worded statement yesterday expressing "deep concern" over Britain's handling of the talks with China over the territory's future.

Here are the key points of the statement, made on the eve of a further round of talks between a 10-strong delegation from Hong Kong and the British Government in London:

It is suggested that the 143-year-old constitutional link between Britain and Hong Kong should end after 1997 when the Chinese Government will resume full sovereignty, against a promise that Hong Kong's existing systems and lifestyle will remain unchanged.

Many anxious questions spring to mind to which no satisfactory answers have been given.

● Will the essential elements of the Basic Law be enshrined in the Sino-British Agreement? If not, would not the British Government run the risk of signing an agreement which the Chinese side may later unilaterally alter on the grounds that it is in conflict with the Basic Law?

● If the Agreement *is* to be *signed* before the Basic Law is promulgated, should not Parliament withhold *ratification* until the details of the Basic Law are known?

● Hong Kong people have the right to ask for assurances that any Agreement entered into between the British and Chinese governments will be honoured? Should not the British Government insist on a mechanism which will ensure that the agreement is faithfully implemented?

● To this end, should not Britain insist on retaining some residual status in Hong Kong beyond 1997 to provide reassurance that the terms of the Agreement will be kept?

● Given the possibility that the Chinese authorities will start interfering with the administration of Hong Kong between now and 1997, will the British Government insist that it must retain effective control, as the sovereign power, during the next 13 years? If effective control is not exercised by the Hong Kong Government under the authority of HMG, a smooth transition up to, let alone stable government beyond, 1997 will not be possible for Hong Kong people will not feel it is worthwhile even to try to adjust to their new circumstances. A collapse of confidence before 1997 would make Hong Kong virtually ungovernable.

● About half of Hong Kong's present population of 5.3m came to Hong Kong from China to seek a better life here. They do not relish the thought of a return to Chinese Communist rule. But what of the rest of the population? They are British nationals by birth (a small number by naturalisation) holding British passports with a right to abode in the British Dependent Territory of Hong Kong. Parliament may cede sovereignty over the territory, but it cannot, by the same act, deprive British nationals of their national status. What then will be the fate of Hong Kong's BDTCs? How will their rights and status be preserved? How will BDTCs continue to enjoy British protection? Will they, and other Hong Kong belongers who cannot accept the idea of living under Communist authority, have a right to settlement in the United Kingdom and should not the British Government negotiate settlement places for them?

When in Hong Kong, Sir Geoffrey Howe said that any Agreement reached between the British and Chinese Governments must be acceptable to the people of Hong Kong. This raises at least two questions:

● How is it proposed that acceptability is put to the test?

● What will be HMG's reaction if Hong Kong people no not accept the Agreement or parts of it?

Parliament cannot take lightly the responsibility of transferring authority over a community (as opposed to the territory) for which the constitutional link with Britain has meant so much for so long to a communist government, albeit the Chinese Government which has a legitimate claim to sovereignty over the territory of Hong Kong itself. The inescapable fact is that the Chinese Government is committed to a political philosophy which is at least incompatible, and at worst hostile, to the philosophy on which the various systems and freedoms enjoyed by Hong Kong today rest.

It follows that acceptability will depend on the Agreement now being negotiated.

● *containing* full details of the proposed administrative, legal, social and economic systems applicable after 1997;

● *providing* adequate and workable assurances that the terms of the Agreement will be honoured;

● *stating* that the provisions of the Basic Law will incorporate the provisions of the Agreement;

● *guaranteeing* that the rights of British nationals will be safeguarded.

We believe that Members of Parliament will wish to take account of our views. We also believe that these views are an accurate reflection of the views of Hong Kong people

Curbs on Synfuels pending review

By William Hall in New York

THE U.S. Government's accident-prone Synthetic Fuels Corporation, (Synfuels) which has responsibility for spending $15bn on promoting a synthetic fuels industry, is under mounting pressure to halt all spending on future projects until Congress has mounted a thorough review of its activities.

Representative Howard Wolpe, one of the leading critics of Synfuels, yesterday announced that a majority of the House of Representatives had agreed to back his bill to block further government support on Synfuels projects until Congress had had a chance to vote on the agency's future.

Synfuels, which has to report on its progress to Congress by the end of June, has been accused of investing its $15bn wastefully

The agency, whose senior personnel have been involved in several scandals, has been criticised for wasting taxpayers' money and there is a growing belief that the U.S. Administration will not seek to keep the agency in business when its authority expires, later this year.

When the agency was set up in 1980, its target was to have 500,000 barrels of oil a day produced from synthetic fuels projects by 1987, and a goal of 2m barrels a day by 1992. The agency was spawned against a background of official fears about U.S. reliance on imported oil, and it was originally suggested that close to $100bn would be spent on dozens of projects across the U.S. to produce oil from coal, oil shale and tar sands.

However, the combination of falling oil prices and evidence of mismanagement by Synfuels, has led to growing criticism of the Government-sponsored initiative.

Bernard Simon reports on a shake-up in Canadian politics

Liberated Liberals on the move

MR PIERRE TRUDEAU'S decision to retire from the Canadian Prime Ministership has profoundly stirred up Canadian politics.

Not only is a group of prominent Liberals, at their head Mr John Turner, former Minister of Finance, fighting for the succession as party leader, but more surprisingly, the Liberals, long in the doldrums, have suddenly shot ahead of the Progressive Conservatives in the opinion polls.

It remains to be seen whether this is a false spring or whether the knowledge that Mr Trudeau is going has really reversed Liberal fortunes. Immensely popular though he was in the late 1960s and early 1970s, under the impact of recession his reputation has waned. In the west of the country especially, Mr Trudeau is widely disliked by voters.

The new Liberal leader will be chosen at a party convention in Ottawa on June 14-16, to be attended by more than 3,000 delegates. Their choice will step up to become the country's 17th Prime Minister, at any rate until the election that must be held by next February.

Mr Trudeau has failed to groom a successor and the party is paying the price in the form of an unusually divisive and at time acrimonious leadership campaign.

Apart from a brief interval in 1979, Mr Trudeau has been Prime Minister continuously for the past 16 years, and many Liberals agree that the time has come to sweep out the stables.

Seven candidates are vying for the leadership. Mr Turner, 54, the front runner, is the only one not currently a Minister—he resigned from the Government in 1975 to join one of Canada's upper crust law firms.

Mr Turner was a leadership candidate at the 1968 convention when Mr Trudeau won. That convention followed the surprise resignation of the then Prime Minister Lester Pearson, the architect of much of the pro-French Canadian language legislation which Mr Trudeau eventually implemented.

Mr Turner refused at that time to commit his convention delegates either to Mr Trudeau or to the other front runners, Mr Robert Winters, former head of Rio Algom Mines, the Canadian subsidiary of Rio Tinto Zinc.

Mr Trudeau carried the vote after several ballots, immediately convened Parliament and went on to become Prime Minister in the "Trudeaumania" election campaign the same year.

After his resignation in 1975, *Mr Turner joined the boards of* several blue-chip companies, including the U.S. construction group Bechtel, where the president U.S. Secretaries of State and Defence also once worked.

Mr Turner has wide international contacts and, more than any of the other candidates, he is unblemished by the failures and excesses of the past few years of the Trudeau era. Because he owes little to those still in the Government he might be able to revitalise a tired-looking administration.

JOHN TURNER . . . the front-runner

But his election as Liberal leader, while still likely, looks less assured now than it did a month or two ago. An "*Anybody But Turner*" *campaign* has gathered pace, spawning a new entrant in the race, Agriculture Minister Eugene Whelan, who has no hope of winning and is widely believed to be running solely to strengthen the anti-Turner forces.

Mr Turner's re-entry into politics has not been smooth. In Quebec, where the majority speaks French, *he* said he approved of the province's French-first legislation, but then appeared to back those resisting *Francophone* rights in Manitoba where the French are in a minority. He promised to cut the federal budget deficit, but is vague on how it will be done. Mr Turner has issued several "clarifications" of his policy statements, denting the impression he would like to create that he is a bold, decisive leader.

His years out of politics are a liability in some ways. He has had considerable difficulty shaking off the image of an affluent, big-city lawyer whose style and policies are barely *distinguishable from those of* Mr Brian Mulroney, the businessman who will lead the Tories in the election campaign.

The only candidate with a chance of defeating Mr Turner at the convention is Mr Jean Chrétien, the Energy Minister, *who has held eight portfolios*, ranging from Finance to Indian Affairs. He has made a considerable impression on the rank and file with his self-deprecating jokes and reminders of his humble upbringing as the 18th of 19 children.

Delegates to the convention would probably be willing to break with the party's custom of rotating English- and French-speaking leaders if they were convinced that Mr Chrétien could keep the party in power at the next election. But there are strong doubts that he can.

JEAN CHRETIEN . . . 'a fixer, not a thinker'

As one of Mr Chrétien's own advisers says, he is "a fixer, rather than a thinker." He is unlikely to draw many votes in *the general election in Anglo*phone, oil-rich Western Canada, where the Liberals hope to pick up a few Parliamentary seats to make up for those they may lose further East. The Liberal Party holds no seats West of Winnipeg at present.

One *remote possibility is that* dissatisfied delegates will turn to a compromise candidate. The most likely choice would be Mrs Iona Campagnolo, the popular and articulate president of the Liberal Party. Mrs Campagnolo has turned down approaches to *run for the leadership*, but pressure on her to change her mind continues.

On the other hand, there is ample evidence that the Liberals are far from happy with the present choice of candidates. Many delegates, currently being elected by local party associations, are refusing to make their preferences known until the convention next month. Some Liberals are even muttering quietly that, for all his faults, it's a pity that Pierre Trudeau isn't standing again.

CIA role in Salvador elections criticised

By Reginald Dale, U.S. Editor in Washington

SENATOR Jesse Helms, the right-wing Republican from North Carolina, has renewed his charges that the U.S. intefered in Sunday's Presidential election in El Salvador to secure the victory of Sr Jose Napoleon Duarte.

In a speech to the Senate, Mr Helms claimed that the Central Intelligence Agency (CIA) had admitted providing Sr Duarte with direct funding, use of radio and television facilities and technical assistance.

Mr Helms, who is not a member of the Senate Intelligence Committee, alleged that a CIA official told the committee in a briefing last week that "We did everything but stuff the ballot boxes."

A senator who attended the briefing, however, said that he could not remember any such remark. Senator David Durenberger, a Minnesota Republican, said that the CIA officials "gave us the impression that there had been some involvement, not with any particular candidate but with various parties."

Mr Durenberger said that the briefing left him and other committee members "horribly confused" because they had been told earlier that there was no CIA involvement in the elections.

Reuter adds from San Salvador: A right-wing death squad has threatened to kill radio journalists who report unofficial results favouring the moderate candidate in El Salvador's presidential elections.

Employees of one radio station, known as Ysu, said they had received three threatening telephone calls from the secret anti-Communist army (ESA) after Ysu reported early returns indicating the probable victory of Christian Democrat Party candidate Jose Napoleon Duarte.

Poll confusion

Tension continued to dominate Panama's confused electoral process yesterday, writes *David Gardiner in Panama City*. The two main contending coalitions continued to announce that they had won and the official vote count could provide no results to back either claim.

The process of collating votes has now become so confused *that it will be almost impossible* to produce accurate results.

Helicopter shot down

A helicopter bearing U.S. Army markings with eight Hondurans aboard, including a Major in the Honduran Air Force, has been shot down in northern Nicaragua. The helicopter penetrated Nicaraguan airspace on Tuesday morning and was immediately shot down by Nicaraguan anti-aircraft units, Tim Coone reports from Managua.

All eight aboard the helicopter were killed. The U.S. Embassy in Honduras said: "If it had U.S. Army markings, it must have been one the U.S. Government has leased to the Honduran armed forces."

Nomination race still wide open, Hart declares

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

AN ELATED Senator Gary Hart yesterday declared the race for this year's Democratic presidential nomination "wide open," following his spectacular comeback in Tuesday's primaries in Ohio and Indiana.

His rival, former vice-president Walter Mondale, reluctantly conceded that the contest might now go all the way to the floor of the Democratic national convention in July, prolonging the bitter divisions in the party for the next two months.

Mr Hart destroyed Mr Mondale's hopes of effectively wrapping up the nomination in Tuesday's four primaries with narrow, hard-fought victories in the two important mid-western states. Nearly complete returns showed him beating Mr Mondale in both Ohio and Indiana by 42 per cent of the votes to Mondale's 40 per cent.

Mr Mondale easily carried Maryland and North Carolina, and won more of the total number of 368 convention delegates that were at stake in Tuesday's polls. But with only eight states still to vote, it looked increasingly difficult for Mr Mondale to reach the "magic number" of 1,967 delegates required for victory before the convention opens.

The latest unofficial figures gave Mr Mondale 1,518 delegates, against 886 for Mr Hart and 303 for the Rev Jesse Jackson, the third remaining candidate, with 339 uncommitted. There is no way that Mr Hart can win before the convention.

The Hart campaign yesterday claimed that with the new momentum gained in Ohio and Indiana, the Colorado senator was now well placed to win all the remaining states, many of which are in what he regards as "friendly" western territory.

While the eight states still to vote account for a total of 660 convention delegates, almost 100 of these are likely to be uncommitted. Meanwhile, some other states that voted earlier have not yet completed complicated selection processes, meaning that there is still a total of around 830 delegates to be chosen to attend the 3,933-member convention.

Mr Hart's hope is that a surge in the final primaries will convince a majority of delegates that he and not Mr Mondale is the only one who can beat President Reagan.

STATES YET TO VOTE IN DEMOCRATIC RACE

Date	State	Number of convention delegates (out of total 3,933)
May 15	Nebraska	30
	Oregon	50
May 24	Idaho	22
June 5	California	345
	New Jersey	122
	New Mexico	28
	South Dakota	19
	West Virginia	44
		660

All are primaries except Idaho, which is a caucus

Democratic National Convention is in San Francisco, July 16-20

Republican National Convention is in Dallas, August 20-23

But Mr Hart would have to draw heavily on uncommitted delegates, many of whom are party leaders and officials who would tend to favour Mr Mondale. Committed delegates, however, are also free to switch allegiance at the convention under Democratic rules.

Mr Hart yesterday said he had now demonstrated that he could carry states in all parts of the country. *His* victory in Ohio was his first in a major industrial state, all of which have hitherto fallen to Mr Mondale.

The Hart campaign also *pointed* out that by attracting continuing support from younger, better educated and more affluent voters, as well as independents, their candidate had shown that he alone was capable of capturing votes that might otherwise go to Mr Reagan.

Mr Jackson again ran very strongly among blacks and pipped Mr Hart for second place in Maryland. Although trailing in delegates, he would find his bargaining strength considerably increased if the convention opens with no outright winner.

Meanwhile, another virtually unnoticed winner on Tuesday was President Reagan. With Republican votes in Ohio and Maryland, Mr Reagan passed his own "magic number" of delegates to ensure renomination at the Republican convention.

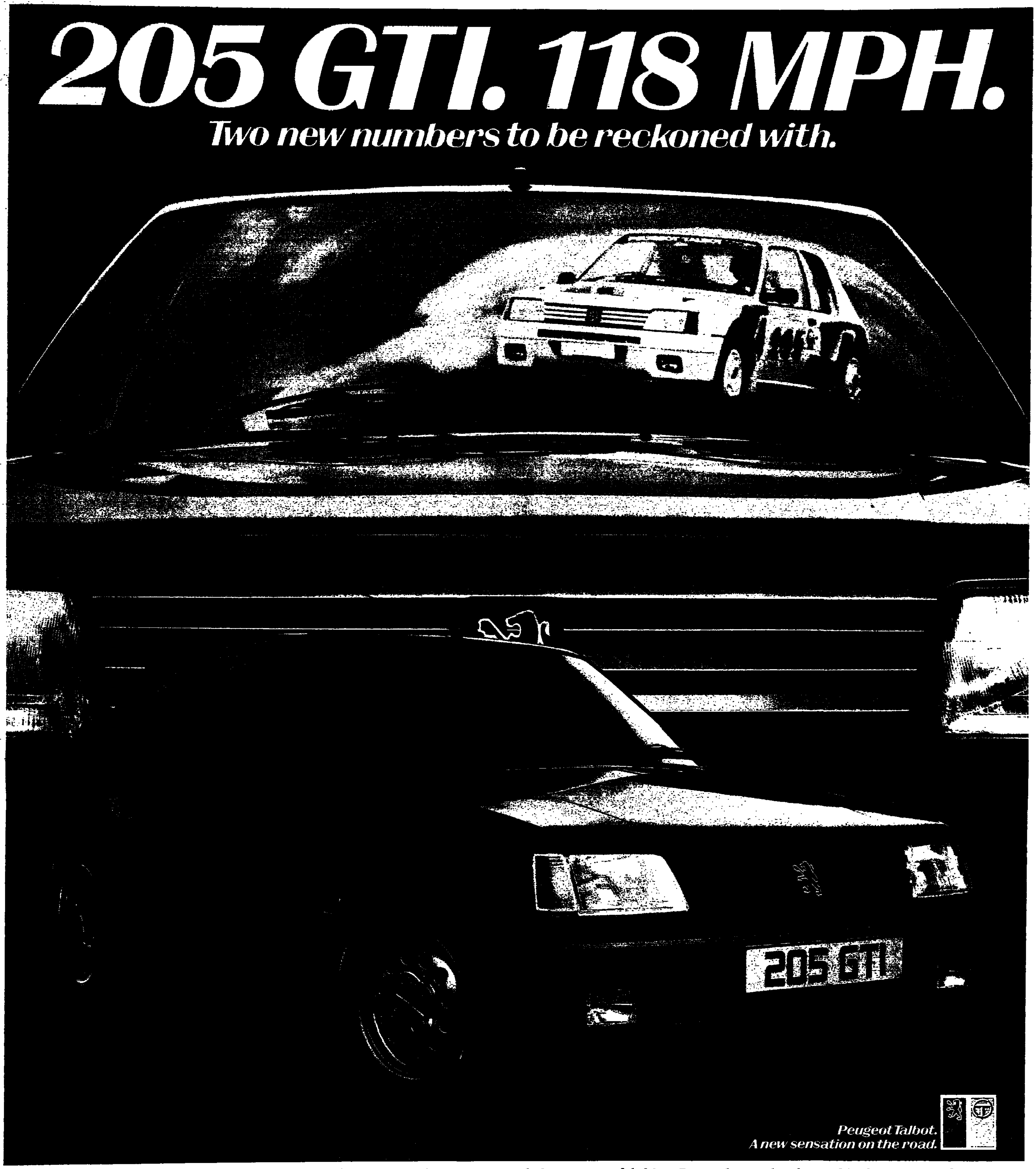
Agent Orange action

BY TERRY DODSWORTH IN NEW YORK

DOW CHEMICALS and other U.S. chemicals companies that have agreed to pay $180m compensation to Vietnam veterans for injuries claimed to be linked to the defoliant Agent Orange are pressing ahead with a related suit against the government.

The company said yesterday that this action referred solely to whether the Government should be included as a defendant to the action brought by the veterans. When this suit was originally filed, the companies argued that the Government was also responsible for the Agent Orange problems, and should therefore be brought into the case.

The Government has previously resisted attempts to have it included in the suit, and a further appeal in this action is due to be heard shortly.


205 GTI. 118 MPH.
Two new numbers to be reckoned with.
205 GTI
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A new sensation on the road.

WORLD TRADE NEWS

Cable & Wireless to limit electronic components from U.S.

BY RAYMOND SNODDY

CABLE AND WIRELESS has confirmed that one of it Hong Kong subsidiaries has decided to end its reliance on U.S. electronics and telecommunications equipment because of delays in the award of U.S. export contracts.

The decision was taken by Cable and Wireless Systems, a relatively small part of the parent organisation which specialises in new business services.

However it could mean the loss of tens of millions of dollars worth of business for U.S. companies.

Cable and Wireless said in a statement: "Our trading arm in Hong Kong, Cable and Wireless Systems, has been and is being embarrassed by unpredictable delays in its American supplies receiving export licences. Where there are problems we can turn to other suppliers because dual sourcing is a company policy.

"We believe that where difficulties exist it is due to misunderstanding in the U.S. about Hong Kong's position," the statement said.

As a result of the change of policy it is believed that no U.S. products will be included in a $25m project for the Singapore Government.

Cable & Wireless officials have expressed surprise at the difficulties in getting U.S. export licences, as many of the Cable & Wireless Systems projects do not involve very high technology.

Recent contracts have involved providing a computerised ticket booking system for the Jetfoil service between Hong Kong and Macao and switching equipment to provide telecommunications links with 13 Asian countries.

News of the change in policy by Cable & Wireless Systems emerged in the U.S. after Mr Chris Cox, the company's general manager, warned American officials that licencing delays for U.S. products had got progressively worse.

The company, which bought around 23 per cent of its products from the U.S. last year, may be buying nothing from America by next year, Mr Cox warned.

Cable & Wireless emphasised yesterday that the change of policy affects only Cable & Wireless Systems and does not involve the main company.

Ivo Dawnay reports on the next five-year pact between the EEC and the developing world

Brussels attaches strings to its aid

THE HAZY outline of the next five-year trade and aid pact between the EEC and 64 African, Caribbean and Pacific (ACP) countries has begun to emerge from last week's ministerial negotiations in Fiji. For the developing world, the picture it paints is bleak.

Following closely on last month's deadlock in Washington over $9bn in new funds for the International Development Association, the World Bank's soft loan arm, the ACP nations now feel the EEC tightening its grip on the terms of a successor to the second Lome Convention—once viewed as a model of aid without strings.

M Edgard Pisani, the EEC Development Commissioner, made clear in Brussels this week that strings are now being firmly attached, in line with a generally more hard-nosed attitude to aid in the West these days. Asked baldly whether the EEC simply did not trust African states to spend funds productively, he replied with uncharacteristic frankness that this "hit the nail on the head."

The message also appears to be getting through to the ACP, who have long resisted M Pisani's call for a "dialogue on policies" as unwarranted interference with sovereign states and contrary to the spirit of the original Lome Convention.

Last week, however, it seemed that the ACP were giving ground by conceding that better management of aid was needed. Mr Hugh Shearer, the ACP council president, went further with a promise to discuss amendments to existing articles in the treaty to accommodate the EEC request.

In part at least, the ACP concessions are rooted in the weaknesses of their negotiating position and their desperate need for a generous deal. The combination of economic pressures born of the world recession has left them weaker today than when the first Lome Convention came into force in 1975. According to World Bank reports, GDP growth in low-income African countries, for example, has fallen from 3.5 per cent in the early 1970s to less than 1 per cent today.

The drop in world primary commodity prices in 1981-82, though now somewhat recovered, has been more than enough to cancel the benefits of EEC trade preferences awarded under the convention. And while food self-sufficiency has declined, development spending by the majority of EEC states remains far from the 0.7 per cent of GNP target set by the UN.

M Pisani's solution, tacitly endorsed by the Ten, is to reorientate development programmes away from major prestige projects—cathedrals in the desert, as he calls them—towards greater emphasis on food self-sufficiency, intra-ACP trade and regional planning.

M Pisani . . . 'hit the nail on the head'

As a means of persuading recalcitrant states to toe the line, the EEC is expected to increase the reserve section of the Lome budget from its current 13 per cent to 25 per cent. This would enable the Community to reward collaborators with the Policy Dialogue principle with extra cash from the Lome treasure chest.

In compensation for the new flexibility perceived in the ACP states, the EEC Ministers have given some ground on a number of their demands while ensuring that these concessions take place outside the formal context of the Convention itself.

These include agreement to discuss at *ad hoc* meetings ACP complaints over the EEC's interpretation of the convention after signature, the treatment of ACP students and migrant workers in Europe and the implications of Spanish and Portuguese accession to the EEC.

There also appears to be less controversy over the EEC's demand for a reference to human rights in the new treaty, in the past strongly resisted by the ACP, without parallel reference to rights in South Africa.

The most contentious remaining points to be negotiated centre on the use of stabex funds, allocated to compensate for poor commodity prices, and the size of the total package itself.

On Stabex, the EEC is insisting that money given under the fund used to develop the commodity itself and not, for example, to relieve balance of payments pressures. This is stringly resisted by the ACP countries.

As to the amount of funds available for the next five-year convention, all that has been indicated is that these will at least match the ECU 6bn (£3.48m) spent last time. However, the ACP is arguing vigorously that they should at least be allowed to discuss the criteria on which the final decision is taken.

Population growth and inflation, for example, suggest that EEC transfers should be increased by at least 25 per cent to maintain spending at a rate of $4 per capita. Some development specialists argue that a minimum of ECU 10bn is needed just to stand still.

One recently published review" argues cogently that much greater attention should be paid to the relaxation of trade restrictions as a means of boosting the developing world.

Quoting the Washington-based International Food Policy Research Institute, the survey argues that a 50 per cent reduction in OECD trade barriers would increase Third World exports by about 11 per cent, or $3bn a year (1977 prices), equal to more than half the total Lome allocaion over the past five years.

No amount of M Pisani's most eloquent reasoning can easily justify to the ACP recent EEC decisions to allow a boom in domestic sugar production, the stifling last year of Kenya's embryo strawberry exports or current attempts to cut existing ACP beef quotas.

"With the one hand," said one world-weary ACP ambassador," the EEC giveth, with the other it taketh away."

"EEC and the Third World: A Survey. Hodder and Stoughton, £7.95

Irish group in California alcohol from cheese deal

By Brendan Keenan in Dublin

AN IRISH offshoot of Express Dairies, which has achieved fame by producing alcohol as a by-product of cheese, has won a contract to build and manage a similar operation in California.

The new facility, to be built at a cost of more than $60m, will be the biggest cheese making plant in the world. The contract went to Carberry Milk Products of Cork because of its expertise in producing a valuable by-product from the whey left by the cheese making process, says Mr Bernard Cahill, Carberry's managing director.

Carberry developed the system whereby milk eventually turns into alcohol, at its plant in Balineen. It produces 12,000 tons of cheese a year and almost 1m proof gallons of alcohol, which is used in the production of white spirits such as vodka. Annual turnover exceeds I£200m (£160m).

The Californian project will dwarf this operation. It is being built for Griswold Controls, a U.S. manufacturer of industrial machinery which is diversifying into dairying.

The plant will produce 41,000 tons of cheese per annum and the major part of the business. But the alcohol produced from fermented whey is expected to be enough for 41m bottles of vodka. Mr Cahill believes his company leads the world in this particular spirited technology.

The U.S. deal has provided some welcome spin-off for Cork, with a local firm of quantity surveyors installing a construction costing system for the project and a Cork consultant engineers winning an order for part of the construction.

The raw material for the two plants will be produced somewhat differently. The Irish cows graze peacefully in the green Cork fields, while their U.S. cousins are kept in intensive units and fed computer-controlled high-protein diets.

EEC curbs Turkish textile sales

By Anthony Moreton, Textiles Correspondent

THE European Commission in Brussels has taken swift action to stop Turkey flooding the Community with certain clothes and textile goods.

Mr Paul Channon, Minister for Trade, told the Commons yesterday that quotas had been set for imports of five lines of Turkish goods into the UK for the rest of this year and import licences had been suspended until July 15 on a further three.

Those goods for which new quotas have been set are T-shirts, trousers, under-briefs, woven pile fabric and outer garments. A limited suspension has been placed on cotton cloth, terry towelling and bed linen.

The measures have been welcomed by the British industry. Mr John Lister, president of the British Textile Confederation, said he was delighted the Government had taken up the industry's pleas so quickly with the Commission.

The European industry has been concerned at the way in which Turkey has been sending increasing amounts of goods to Community countries, breaking undertakings. Along with Portugal it has been one of the low-cost producers against which the European industry has sought to take protective action. Portugal has reached agreement with the Commission on most products and only Turkey stood out as an offender.

The quotas set for Turkish imports into the UK for the rest of this year are 650,000 T-shirts, 100,000 pairs of trousers, 1.1m under-briefs, 150 tonnes of woven pile fabric and 60 tonnes of outer garments.

Compared with a quota for the year of 5.8m T- shirts Turkey had already sent 2.87m in the first 14 weeks of 1984. In cotton cloth the Turks had supplied 759 tonnes against a 1984 quota of 988 tonnes.

Export credits urged for UK exports to Cuba

By Hugh O'Shaughnessy

British exporters are pressing the Export Credits Guarantee Department (ECGD) to extend its cover for medium and long-term credits to Cuba as British trade with the island moves into healthy surplus.

Last year Britain sold £46m worth of goods mostly engineering and transport equipment while buying only £14m of Cuban products, mostly of tobacco. Trade figures for the first two months of this year show imports from Cuba of £1.2m against exports of £18.1m.

A Cuban trade delegation led by Sr Raul Taladrid, a senior official, is currently in London for discussions under the aegis of the Anglo-Cuban Joint Economic Commission which is expected to issue a statement on bilateral trade tomorrow.

The Cuban officials will visit ICI, ECGD and the Overseas Development Administration.

Tandy—Nokia venture

NOKIA, the Finnish electrical and chemicals group, is setting up a joint venture with the Tandy Corporation of the U.S. for the manufacture of mobile cellular radio telephone sets in the Far East, Kevin Done reports from Helsinki. The plant would produce direct dial mobile telephones exclusively for the U.S. market. It has not been decided where the plant will be located, but Tandy already has production facilities in Taiwan and South Korea.

Asea chief in U.S. for talks on Soviet contract

BY DAVID BROWN IN STOCKHOLM

THE PRESIDENT of the Asea electrical engineering and electronics group – one of Sweden's largest industrial companies – Mr Percy Barnevik, has unexpectedly flown to Washington to confer with senior American trade officials following controversy over deliveries by the company to the Soviet Union.

The trip is seen as an attempt by the Asea management to fend off any official U.S. moves that might endanger Asea's standing on the U.S. market, which accounts for over 10 per cent of total group sales.

The controversy stems from a contract Asea signed in 1979. It agreed to provide Moscow with American-made industrial electronics although the equipment was covered under U.S. high technology export restrictions.

"We were aware the regulations were in force," a spokesman said, "but we had reason to believe the relevant licences would be granted."

Asea later informed Moscow that it could not provide the computer equipment but fulfilled the rest of its SKr 300m ($37m) contract for a steel project after export restrictions were extended in 1980, according to the official company statement.

However, Swedish police are understood to have uncovered documents which could further embarrass the company.

The documents were reportedly found when a former Asea employee was taken into custody earlier this year. The company confirms that the executive is now the subject of a criminal investigation.

The executive, reportedly the manager for Eastern bloc sales for Asea, had close business ties with Mr Sven-Olof Haakansson, president of Sunitron, the Stockholm prosecutor's office has revealed. Mr Haakansson is being held in connection with an attempt earlier this year to smuggle several container loads of computer equipment to Eastern Europe.

Asea has confirmed that it had dealings with Mr Haakansson and Sunitron on a "regular basis" before the container incident, but declined further comment.

The allegations come shortly after another Swedish company, DataSaab, was fined $3m by an American court for selling advanced flight control equipment to the Soviet Union despite the export restrictions.

UK NEWS

Directors named at Reuters Holdings

BY CHARLES BATCHELOR

REUTERS, the international news-agency and business information group, has appointed three leading international businessmen to the board which will run the company following next Wednesday's planned £1bn public flotation in London and New York.

Mr Walter Wriston, aged 64, chairman of Citicorp, the U.S. financial services group, Mr Christopher Hogg, 47, chairman of Courtaulds, the British textiles, paint and packaging group, and Mr Peter Gyllenhammer, 49, chairman of Volvo, the Swedish vehicle maker, have joined the new 15-man board of Reuters Holdings, the company announced yesterday.

The three men will be paid £10,000 each a year for their non-executive role and are expected to attend nine half-day board meetings around the world.

Sir Denis Hamilton, Reuters non-executive chairman for the past five years, said: "This is the first time in recent history that Reuters has recruited directors from outside the newspaper industry. We wanted to make the composition of the board more international."

Mr Michael Nelson, Reuters general manager, commented: "They are not figureheads. They are people with very good track records who will contribute something to the deliberations of the Reuters board.

The new board, set up in the wake of the restructuring of Reuters share capital required to allow the flotation, met for the first time on Tuesday, though Mr Wriston was not able to attend.

The Reuters trustees, whose task is to guarantee the independence of the company, and who oversee the single Reuters Founders Share, are expected to announce the appointment of three or four new trustees unconnected with the newspaper industry within the next day or so.

Other members of the Reuters board are nine non-executive representatives of UK, Australian and New Zealand newspaper groups and three executive directors, Mr Glen Renfrew, managing director, Mr Nigel Judah, finance director and Mr Nelson.

Reuters has begun an intensive campaign to brief nine leading British stockbroking firms about the company ahead of the publication of its prospectus next Wednesday.

Inmos returns to profit in final quarter

By Guy de Jonquieres

INMOS, Britain's state-backed microchip manufacturer, confirmed yesterday that it moved into profit in the last quarter of 1983, though it still recorded a sizeable loss for the year as a whole.

The company, which is 75 per cent owned by the British Technology Group, said that its performance had continued to improve in the first quarter of this year, when it made a profit of £1.26m on sales of £19.1m. This was ahead of target.

In the final 1983 quarter, its profit was £364,000 on sales of £16.9m. For the year as a whole, its loss was £13.8m, down from a loss of £18m, in 1982, on sales of £37.8m, more than double the previous year's £13.7m.

Inmos achieved a gross operating profit last year of £3.3m, against a loss of £8.7m the previous year. But this was more than offset by research and development expenses, the costs of starting its plant in Newport, South Wales, and interest charges.

The company said that the Newport plant was now manufacturing in volume and would make an increasing contribution to sales and profits this year.

Inmos has been discussing plans to raise as much as £20m through a placement of part of its equity with institutional investors. It may also consider seeking a stock market listing later this year.

Several large industrial groups, including American Telephone and Telegraph, and Emerson Electric of the U.S. and Britain's General Electric Company, have expressed an interest in acquiring Inmos

Steel plants hit by pit strike 'may not reopen'

BY PHILIP BASSETT AND IAN RODGER

STEEL PLANTS closed because of the British coal strikes might never re-open, Mr Robert Haslam, chairman of the British Steel Corporation, warned yesterday.

As Mr Haslam gave his warning, the National Union of Mineworkers (NUM) issued its strongest threat so far against the Ravenscraig steel works. Speaking to a rally in Glasgow, Mr Mick McGahey, NUM vice-president, said: "I'm calling on the whole of the trade union movement to close Hunterston and Ravenscraig and bring about a solution of this problem."

Meanwhile, thousands of trade unionists went on strike in Scotland in support of the miners, but coal supplies continued to go into Ravenscraig. The police issued a warning against increasing violence on the miners' picket lines in the coalfields.

In his statement, Mr Haslam recalled that the coal strikes of the 1970s contributed to a permanent loss of 6 per cent of BSC's home market share, "equal to 1m tonnes a year or the output of a large steelworks.

"The threat to jobs in steel is real," Mr Haslam said. "Mr Scargill, NUM president and the leaders of other unions supporting him seem to think that if our furnaces are safely banked, at the end of their strike the steel industry will miraculously resume its business as if nothing had happened.

"Nothing is farther from the truth. If steel plants have to be closed because of the strike, perhaps some might never re-open. The steel industry has learned that the world does not owe it a living.

Mr Peter Walker, the Energy Secretary, yesterday broke his silence over the strikes. Speaking in Manchester, he said there were six months' coal stocks at the power stations. "There is a very long endurance there – but I have no desire to use it."

He said that last week, only 250,000 tonnes were taken out of stock. He accused Mr Scargill of not talking to the coal board, and said that in areas where the miners had been called out on strike without a ballot "more and more" were recognising the basic facts of the dispute. He hoped this would lead to a return to work.

Industrial electricity prices steadier than last year

BY MAURICE SAMUELSON

A SURVEY of electricity prices for industrial and commercial customers in 12 countries shows that companies in Britain faced the lowest rate of increase last year after West Germany.

The survey, carried out by the U.S.-owned consultancy National Utility Services (NUS), also showed that in only four of the countries – Canada, Belgium, the Netherlands and the U.S. – did electricity prices rise faster than the local rate of inflation.

In Britain, where a government electricity freeze was in force, prices to industrial customers nevertheless rose because of the fuel cost adjustment system, reflecting changes in oil prices. Even so, the 3.5 per cent increase was significantly below the 5.2 per cent rise in the retail price index.

At 3.5 pence per kilowatt hour, UK electricity prices were dearer than those in France, South Africa, Canada and Sweden. But they were cheaper than the other countries in the survey – Ireland, the U.S., Italy, West Germany, Belgium, Australia and the Netherlands.

NUS attributed the steadier electricity prices in the countries under review to stable or lower oil prices. They also reflected "a general mood of determination to come to grips with inflation on the part of individual governments," it said.

The 10.1 per cent increase in Canada was a stark contrast to the previous year when the country's prices and year on year increases were low. Even at their new level, however, Canadian electricity costs are cheap compared with other developed countries.

In Belgium, with the third largest price rise after Canada and the Irish Republic, NUS said it was due to a rise of almost 17 per cent in the country's "working expenses", coupled with the absence of any government inspired price freeze.

Survey of International Electricity Prices, National Utility Services, Carolyn House, Croydon, Surrey.

Steady interest rate decline forecast

BY PHILIP STEPHENS

THE RISE in Britain's base lending rates yesterday should prove only a temporary hiccup in a generally stable financial background for the economy over the next few years, according to the London Business School.

In its latest forecast of the medium-term financial outlook the LBS says that interest rates should decline steadily in the period up to 1987–88, while sterling will appreciate gradually.

Inflation is predicted to remain stable at around 5 per cent, with sterling's improvement offsetting the inflationary impact of its recent depreciation.

The gradual fall in interest rates, with base rates put at around 7 per cent at the end of the forecast period, will contribute to rises in the price of government stocks. Gilts will be further boosted by an expected fall in the level of sales as government borrowing is reduced.

The LBS sees a strong surge in investment by the company in the current financial year, reflecting the recent rapid build-up of profits and the acceleration of investment projects because of the changes in capital allowances announced in the budget.

Company sector investment should rise by 12.2 per cent in nominal terms in 1984–85 compared with a meagre 2.5 per cent increase in each of the previous two years, it says.

Investment will remain strong over the whole of the forecast period, with increases of 11 per cent in 1985–86 and 8.9 per cent in the following year partly financed by further new issues and some increase in borrowing from banks.

The growth in company profits will slow to around 6.3 per cent in 1984–85 from 21.9 per cent last year, but is likely to pick up again slightly in 1985–86.

The LBS says that the pickup in company investment will take over as the main engine of economic growth over the medium term, while the pace of expansion of consumer spending will decline as the relationship between earnings and savings stabilises.

Overall, however, the personal sector's spending on consumer and capital goods will grow faster than its income over the next four years, financed by continued high borrowing and by disposals of long-term financial assets.

The recovery will also broaden into exports, which the LBS says should be boosted by a more competitive exchange rate and by growth in the world economy.

An 11.6 per cent rise in exports in 1983–84, followed by smaller but still substantial increases in the next two years, should ensure that the current account of the balance of payments remains in surplus over the medium term.

Based on the output measure, the LBS says it expects gross domestic product to grow by 3 per cent in real terms in the current year, up from 2.6 per cent in 1983–84, but the rate will fall to around 1.5 per cent by the end of the forecast period.

Turning to inflation, it predicts that annual price rises will be held down to around 5 per cent helped by a continuing slow pace of growth in unit labour costs reflecting a gradual reduction in the rate of increases in average savings.

Equity prices will suffer, however, from smaller increases in profits, while the adverse effect from new issues may not be completely discounted at current prices.

The LBS assumes that U.S. interest rates will stay at or slightly above current levels for the next 18 months, but the impact on the UK should be limited.

Financial Outlook, quarterly at annual subscription of £150 ($300 Europe), Gower Publishing, Gower House, Croft Road, Aldershot, Hampshire GU11 3HR.

Barclays to make managerial changes

By David Lascelles

BARCLAYS BANK, the UK's largest, has announced a new top management structure that will run the bank when it merges its domestic and foreign arms at the end of this year.

The chief general manager of the combined operation will be Mr Peter Leslie, 53, currently senior general manager for finance and planning and formerly top executive of Barclays Bank International. Mr Leslie will be responsible for the day-to-day running of the bank.

Alongside him will be two new vice-chairmen, Mr John Quinton, 54, who will also be vice-chairman of Barclays Bank UK, and Mr Andrew Buxton, 45, also vice-chairman of Barclays Bank International. Mr Quinton is now senior general manager for Barclays' UK operations.

The appointments were announced by Sir Timothy Bevan, chairman, who remains chief executive of the bank.

At the senior general manager level, the new appointments are Mr Peter Ardron (international), Mr Robert Sale (UK) and Mr Humphrey Norrington (finance). They will report to Mr Leslie. There are two new general manager appointments: Mr Trevor Nicholas (resources) and Mr Ted Foster (corporate).

TECHNOLOGY

EDITED BY ALAN CANE

BRITISH COMPANY AUTOMATES PIPELINE REPLACEMENT SYSTEM

How Merstan plans to rejuvenate city sewers

BY ROY GARNER IN TOKYO

IN TOKYO a high water table causes the city's sewers to leak in both directions, leading to pollution in the dry season and overloading the pumps with ground water in the wet. In Manchester (and many other cities in the UK) some of the sewers are well over 100 years old, and emergency repairs are becoming the norm . . . and so the tale goes on. In urban centres around the world the conveyors of the industrial revolution's excess are ready for rejuvenation.

All set to come to the rescue is a new apparatus, developed by the UK company Merstan Pipeline Services Ltd of Sittingbourne, Kent, which is capable of breaking out old sewer pipes and installing new ones of the same diameter, or larger, all in one fully automatic operation.

At present the relaying of sewer pipes presents a fearsome prospect for those responsible, typically tight budgeted, local authorities. Sewer pipes are normally laid at a greater depth than other utilities, on average at least five metres underground. Disruption is enormous as the road is ripped up, and the maze of electricity and gas lines, which lie closer to the surface, are negotiated.

With Merstan's new pipe-jacking impact mole equipment, codenamed the M14, the whole process of pipe renewal can be carried out from the manholes stationed at intervals along sewer lines. In tests carried out in Winchester the M14, working at below capacity, has replaced piping at the rate of 116 metres in six hours.

The business end of the equipment consists of a two metre long "mole"; a bullet-shaped cylinder with a casing streamlined in such a way that its passage through a sewer pipe will cause it to break in long sections, rather than shatter into small pieces which might be jagged and cause damage to the replacement sewer. Inside the mole is a pneumatic pump which slams a piston back and forth at a rate of 200 impacts per minute, as it worms its way along the sewer duct.

A cable is attached to the front end of the mole and connects, through the old sewer, to a Fairey winch at ground level. This winch is not high powered, and serves principally to guide the mole smoothly along the path of the sewer.

An air-line runs from the rear end of the mole back to a compressor above the entry-end manhole. Threaded onto this pipe, at street level, are sufficient new one-metre sections of pipe to complete the sewer replacement.

Once the mole is in position, the first length of new pipe is snap-locked onto its rear end and, as the mole moves ahead, successive lengths of pipe are attached, much as carriages behind a locomotive. It takes just one and a-half minutes to secure each snap-joint, made by Stewarts and Lloyds, and a load of ten tons would be necessary to pull each apart, while only a one-ton pressure is required for attachment.

Hydraulic rams, developed by Avon Lippiatt Hobbs (ALH), are positioned at the base of the manhole to push the pipe sections together. These rams (2x5 tons each) also serve an important function in maintaining a constant rear-end pressure throughout the length of the new sewer pipe as the mole progresses.

This pressure ensures that as the mole pulls the pipe forward none of the joints lose their alignment. The "brains" of the apparatus is the special air-valve unit which is built into the air line just to the rear of the mole. This valve automatically co-ordinates both the forward drag of the mole and the rear thrust of the rams, and prevents too much or too little force being applied to the new pipe sections from either end.

Disruption in cities caused by conventional pipe-laying techniques is enormous

The test run in Winchester, which was enthusiastically backed by the Southern Water Authority, caused only the minimum of inconvenience to road users. The only real disruption involved the need to break out the benching and the bottom ring of the manhole to accommodate the jacking equipment.

The basic apparatus has taken Merstan three years to develop, and the company expects to be ready for commercial application in approximately six months time. Already a continuous run of 180 metres length has been achieved, but Merstan spokesman Ian R. Johnstone, says that the company "is very close to the technological capability" for a 3 km length pipe replacement.

Interest has been expressed by a Kuwaiti customer. A recent brief visit to Australia by Merstan management also secured the promise of four major contracts for licensed equipment.

In Japan they are more often laying their first sewers than replacing old ones, but Japanese industry representatives have shown great interest in the equipment, and problems which include Tokyo's high water table suggest opportunities in the future.

The main thrust of research is now centred on the technology for the replacement of "laterals", where small waste pipes connect to the main sewer.

ALH has also experimented with a vacuum excavation method. The future lies with the use of robotic devices which will travel down the pipe, cut a hole in the right spot, insert a connector by an induction welding process and finally seal the join . . . all probably under the supervision of a charged couple device, CCD, camera. Johnstone says he was "depressed" at first when he saw first hand the manufacturing quality and efficiency of the Japanese, areas in which he feels the UK has "no chance of competing". He commented that "the only thing we (the UK) have to offer is creativity in high technology, and that is what we're good at."

Communications

Radio telephones

PYE Telecommunications of Cambridge has announced orders for about 3,500 new car-telephone units valued at roughly £7m. The hardware is to be purchased by companies such as British Telecom and Securicor that operate radio-telephone systems for cars.

The M9140 unit will initially be supplied by Philips factories overseas. Pye, which is part of the Philips group, is starting a production line at its Cambridge factory.

The phone operates over 100 radio channels and has an automatic store for up to 60 numbers. British Telecom will sell the system under the name Sapphire. It will be used in the corporation's System-4 radiophone network that connects people in cars automatically to the public telephone system.

VOICE RESPONSE

Computers that answer back

BADGES on the lapels of Texas Instruments' employees read: "*I talk to computers*." With a special electronic circuit board built into the company's professional computer it is possible to do just that and get a sensible reply.

For TI has used the voice recognition and response technology mainly used for educational products such as Speak and Spell and applied it to small business computers and work-stations.

The idea is that the ability of the computer to respond to spoken commands is an aid to reluctant managers to use office automation products. This is similar in concept to Hewlett Packard's touch screen and the Mouse input device on the Apple Lisa.

One application, for example, is for a newsagent's which has to deal with the daily problem of unsold newspapers. With hands full of bundles of publications it is tedious to stop and press keys on the keyboard to enter details. So TI has used the voice system to allow the newsagent's staff to call out papers and quantities instead.

Equally there is great potential in helping disabled people in their workplace. Though UK prices are not fixed yet, it is likely that an extra £1,000 will be added to the cost of the professional computer.

The user can record voice responses with the extra circuit board so that the computer has the same accent as the user which is uncannily like talking to oneself. Storing the voice input means translating speech into digital form so that binary numbers take the place of pitch, energy and the voice or unvoice timbre of the spoken word.

TI has a technique to reduce the amount of data which would normally be required to reproduce a sound. It is called linear predictive coding and is a way of splitting up a sound rather like images on moving film. On playback the sound, like the image, appears to be continuous as the computer guesses the gaps.

Identifying a voice uses the same concept comparing speech patterns against those in the computer's databank.

The computer's capacity to identify words and phrases is virtually limitless says TI. It can cope with up to 50 words at a time but can draw from many different libraries.

Not only can voice recognition and response be used as a substitute for pressing keys: TI has plans that it can be used for telephone calls. Voice commands can be given to dial numbers automatically. It can also answer calls. At the moment this intelligent telephone function is available only in the U.S. as British Telecom approval has not be obtained so that the machine can be connected into the telephone network. In the mean time it will be possible via local area networks to communicate voice between computers with the speech facility.

Mr Ian McMurray, UK marketing director of TI's data systems division, said that the company's stated strategy was to aim at the professional workstation market and stressed that TI believed that customers were looking more to local area network systems to expand capacity.

TI has pledged its support to the Ethernet system and is working closely with IBM on that company's local area network. Mr McMurray said that these were likely to be the two industries for connections between computers.

ELAINE WILLIAMS

ADHESIVES FOR INDUSTRY

Bostik glue for robot fixers

FACTORY processes in which objects are glued together automatically may become more common as a result of a novel adhesive developed by Bostik.

Sales of adhesives to industry account for some 80 per cent of the company's annual turnover in Britain of £16m. But in most cases, the glue is applied by hand—for example to fix the door panels to car bodies or to make laminates from materials such as plastic or metal.

With the company's new product, developed after seven years of work at Bostik's main research laboratory near Frankfurt, robots and similar automated systems may take more easily to the job of sticking items together.

The new glue, called Bostik 2000, forms a solid bond in a few second and does not require clamps. As a result, an automated system should have little trouble in holding together the two parts to be joined until adhesion takes place.

After this initial bonding, the strength of the join increases over a period of several hours. This provides a durable bond that is suitable for industrial or consumer goods that may receive a fair amount of wear and tear.

According to Bostik, most glues used in industry either set quickly but provide only a weak bond — or they give a resilient bond but only after a long setting time. As a result, robots are effectively barred from applying all glues except those that have a weak adhesive action.

The secret of the new chemical, says Bostik, is its molecular structure. The glue is what is called a prepolymer — it is a series of organic molecules or monomers joined together in short chains.

The substance is coated onto one of the parts to be joined with a special applicator, which heats the chemical to about 100 degrees C. This breaks down the weak bonds that join together the short chains. When the substance is spread onto the part, it cools—as a result of which the bonds reform to produce the "sticking" action.

With similar glues applied as a "hot melt," this is as far as the adhesive process goes. But with Bostik 2000, a chemical process follows the initial bonding action. In this, water (which is present naturally in the air or in the parts being joined) initiates a reaction in which the isocyanate groups of adjacent prepolymer molecules link up. This provides the very strong bond, normally found only with glues such as epoxies, that makes the glue suitable for use with industrial goods.

Roy Measures, director of Bostik's UK research laboratories in Leicester, says that several companies are conducting manufacturing trials with the new chemical. Bostik is not disclosing the companies' names.

PETER MARSH

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

A North Sea ad in Shell's current campaign

Ads that aim to make people think well of Shell

BY FEONA McEWAN

THE product is messy, there's a pollution risk, extraction can leave a scar on the landscape and it is seen to yield fat profits and sell at premium prices. Yet there's no getting away from oil.

Given the potential for such a powerful negative image the oil industry thus demands more sensitive and astute marketing than many a more appealing consumer commodity—a point never lost on the country's major operators, such as BP, Shell and Esso, which have established a strong tradition down the years of public dialogue, not least by their evocative advertising campaigns.

The BP badge, the "Britain at its best" slogan, the bounding Esso tiger and the "You can be sure of Shell" message are familiar enough television images—individual expressions exploited by the corporations in their continuing bid to curry public favour. This way they hope to ensure an agreeable climate of opinion at all levels—from shareholders and employees, government ministers and customers—which will protect their interests, and smooth the way to an unhindered future by keeping over-restrictive legislation at bay.

In the past 15 years the favoured vehicle for communicating roles and attitudes has been advertising of the corporate kind. Shell has been in the advertising business since the 1930s, when it urged customers to "Go well, go Shell!" and, more obliquely, through its Shell County Guides (still being published), which, by encouraging countryside excursions, stimulated use of petrol.

It has run a more or less continuous campaign since 1976 when, with the Shellmex/BP split, separate branding became necessary.

But corporate advertising is a path that reaps rewards through regular treading. Boosts are needed from time to time in order to protect past investment and goodwill built up over the years. This was a lesson Shell learnt to its cost in 1980 when its rival, BP, courtesy of Saatchi and Saatchi, stole a march with a powerful heavyweight TV campaign underlining the corporation's essential Britishness and its fuelling of the national economy. This put BP top of the "awareness" and "favourable attitudes" league.

Research available to both parties had shown that absence from any form of mass media advertising had severely damaged their public reputation. Thus BP upped its spend from nought in 1979 to £2.7m the year after, at a time when Shell was resting its corporate voice—it was the start of the Iran-Iraq crisis—with a drop in budget from just over £1m in 1979 to just under £1m in 1980.

"It is known as the decay factor," says Hugh Wickham, head of marketing communications, Shell UK, referring to the fall-off in consumer awareness during long "silences" from corporate advertising. "It is the main argument for consistency, because there is not such a strong fall-off effect if you are consistent. The primary benefit of corporate campaigns cannot be measured at one given moment in time; rather it is the measurement over a period of the company image as seen by the public."

Subsequent media spends, (according to Media Expenditure Analysis Ltd, which takes no account of discounting) show that neither competitor—recession and pressure on profits notwithstanding—was to be caught corporately napping again. Figures soared: Shell to £4m in 1981, £3.7m in 1982 and £4.4m in 1983. BP spent £2.2m in 1981, followed by £1m and £3.4m in 1982 and 1983. Shell has already spent £2.7m this year against BP's £119,000. Esso has traditionally opted for a smaller corporate budget, hovering around the £1m mark, if that.

Research conducted in 1980 showed Shell that its image was intact—messages filtering down from 1930s had obviously stood the oil company in good stead, and people recognised it for its reliability, quality and even elegance. But they wanted more information, especially about the contribution to the UK economy, investment in the North Sea and the company's Britishness. (In fact Shell is 60 per cent Dutch-owned.)

On the negative side, profits were perceived to be large and prices high. People were also dubious about the company's concern for the environment—even though this was after the potent "Happy Valley" ads, featuring the unspoilt valley AFTER the pipeline was laid, had appeared in the Press and on TV.

The 1981 strategy, therefore, focused on people, quality of products and community responsibility. "We wanted to make people feel good about Shell and aware of its contribution to their lives," says Wickham, who believes that if a company demonstrates itself to be responsible and reputable, then, all else being equal, customers will buy from that company.

Results of the 1981 campaign, according to Shell's continuous tracking studies (six a year) showed it had regained top place in the awareness stakes—though not for good. The *following year's campaign* was a fine-tuning campaign restating the objectives of competitive differentation, creative consistency and public consumer benefits. The gap closed between Shell and BP. Last year Shell launched two new commercials through its agency Ogilvy & Mather—Moonshot and Springboard. These featured, respectively, animations of the North Sea without water showing a spaghetti junction of platforms and *pipelines* and a *North Sea* turbine being made in a foundry. This stressed the support for British industry.

At the beginning of this year, a further commercial endorsed the responsibility to the community; it focused on Shellgrip, a safe road surface.

Care for the environment, North Sea involvement and UK investment are further strands to the year's corporate message.

And the results? "We've achieved the objectives we set out to achieve," says Wickham, pointing out that it's always necessary to review strategy. This happens in July when the current three-year advertising plan is completed. "It's a good idea to consider whether you can advertise more efficiently at less cost, for instance, whether we need to do more of the same, and how to develop the policy." The likelihood is for continuation of the corporate plan though "it may not be on the same full-scale television level," he suggests.

Adding value to wine

Lisa Wood on Victoria Wine's marketing plans

Lister Fielding: aiming to arrest declining profits

VICTORIA WINE, Britain's largest off-licence chain, seems set to be in the vanguard of the battle by off-licences to win back market share lost to supermarkets in recent years.

Within the next three years the company, which has made diminishing profits of late, plans both to change the image of its 800-odd off-licences and bring modern management techniques into a fairly traditional business.

Spearheading the changes is Lister Fielding, aged 40, a former managing director of the European division of the Mothercare mother and baby goods group, who took up his appointment as managing director of Victoria Wine just four months ago.

"The business had been running on its existing image for about 12 years," says Fielding, "but there has been a tremendous move in retailing since then to upgrade outlets; one could say it is the Terence Conran influence."

At the same time supermarkets have caused considerable concern to specialist off-licence retailers; they have gained more from the boom in wine sales in Britain. They have, for example, a direct link with female shoppers. "We want," says Fielding, "to attract more purchases from the younger married woman who is becoming the family wine buyer."

Supermarkets such as Sainsbury, Tesco, the Co-op and Safeway have become the major force in UK liquor sales, with Sainsbury now being the biggest wine retailer in a UK market now worth more than £1.25bn. The "independent" chains of small supermarkets like Wavy Line and VG have also considerably expanded their off-sales. So it has not only been Victoria Wine which has seen its market share dip but also other off-licence groups such as Arthur Cooper, Unwins and Augustus Barnett.

The modern image the company now wants to portray, he says, is that of offering the convenience of the supermarket, with clear labelling of items, while at the same time giving added elements of service that supermarkets do not offer.

Such "added value" services include 5 per cent discounts on a case of wine and 3 per cent on any six bottles; sale or return for weddings and similar occasions and free delivery on orders over £25.

The most conspicuous results of the re-thinking at Victoria Wine, a subsidiary of the Allied Lyons brewing and foods group, can be seen at the company's pilot shop in Woking, Surrey. Seven other similar shops are also being piloted nationally.

For a start the name above the door has changed to The Victoria Wine Company. "We wanted to look very modern, but we also wanted to stress that we are an off-licence chain of long standing," says Fielding.

Windows are large and posterless. There used to be jokes in the industry that Victoria Wine, Britain's single largest cigarette retailers, stopped customers seeing into its shops because of the weight of bill-posting for cigarettes.

Gone is the traditional off-licence aura of organised chaos. Instead a Habitat-style of open planning, simplicity and freshness prevails. Wines, spirits and liqueurs are racked on open display units.

Victoria Wine pioneered what it calls the "selector system" whereby wines are sorted into classifications. This system has been incorporated into the basic shop lay-out with table wines and ports and sherries grouped together according to their sweetness or full-bodied nature. So, for example, Chateauneuf du Pape is described as FB (full-bodied).

"We provided cards before, offering customers this information," says Colin Brungen, the manager of the Woking shop, "but now the wines are very visibly divided off into these groupings. We are aiming at a new sort of customer who may be afraid to ask for assistance in choosing a wine."

Alongside the alcohol a small section offers an attractive array of cocktail shakers, cocktail glasses and cocktail sticks, all designed to catch the eye of the young, and particularly women, among whom cocktails are a growing market.

Technology

But the re-design of the shops is only one facet of modernising Victoria Wine. By the end of October the company will have completed a £5m electronic point of sale (EPOS) system, claimed to be the largest of its kind in Europe and covering its 800 outlets. "This sort of technology revolutionises a business," says Fielding. "It alters the way we order, the way we pay suppliers and changes the job of the branch manager.

"Instead of being an administrator he or she in future will be able to spend more time on training staff and offering assistance. This trend may change our requirements for managers."

A fundamental re-organisation of managers at both regional and local level is taking place. Four regional managers, reporting to a national operational manager, have replaced six regional operations directors.

The move to centralise operations is all part of what Fielding calls eradicating those traditions he sees as inhibiting to the *business. The selection of* drink sold at each outlet used to be largely the responsibility of the branch manager, acting on the advice of supplier representatives, says Fielding. "We are now eliminating that independence and the range will be dictated from central office."

The tendency in the off-licence trade for family staffing had advantages he says, but they were outweighed by disadvantages. Couples, for example, tended to want to go on holiday together and there was little flexibility in the use of part-time staff. "Where possible we are now asking the wife to work in another shop or for her to work part-time. That enables us to take on more part-time workers who are more flexible at Christmas or holiday periods."

Fielding is reluctant to talk about projections for increases in profit or turnover. "I do see the economies from EPOS and staffing to be significant in arresting declining profits," he says.

Use of EPOS, for example, will increase shop floor spaces by around 15 per cent because, with information on sales gathered more speedily, less stock will be kept on premises.

The use of new technology is a crucial plank in Fielding's strategy and it's an area in which he believes Victoria Wine is significantly ahead of the competition.

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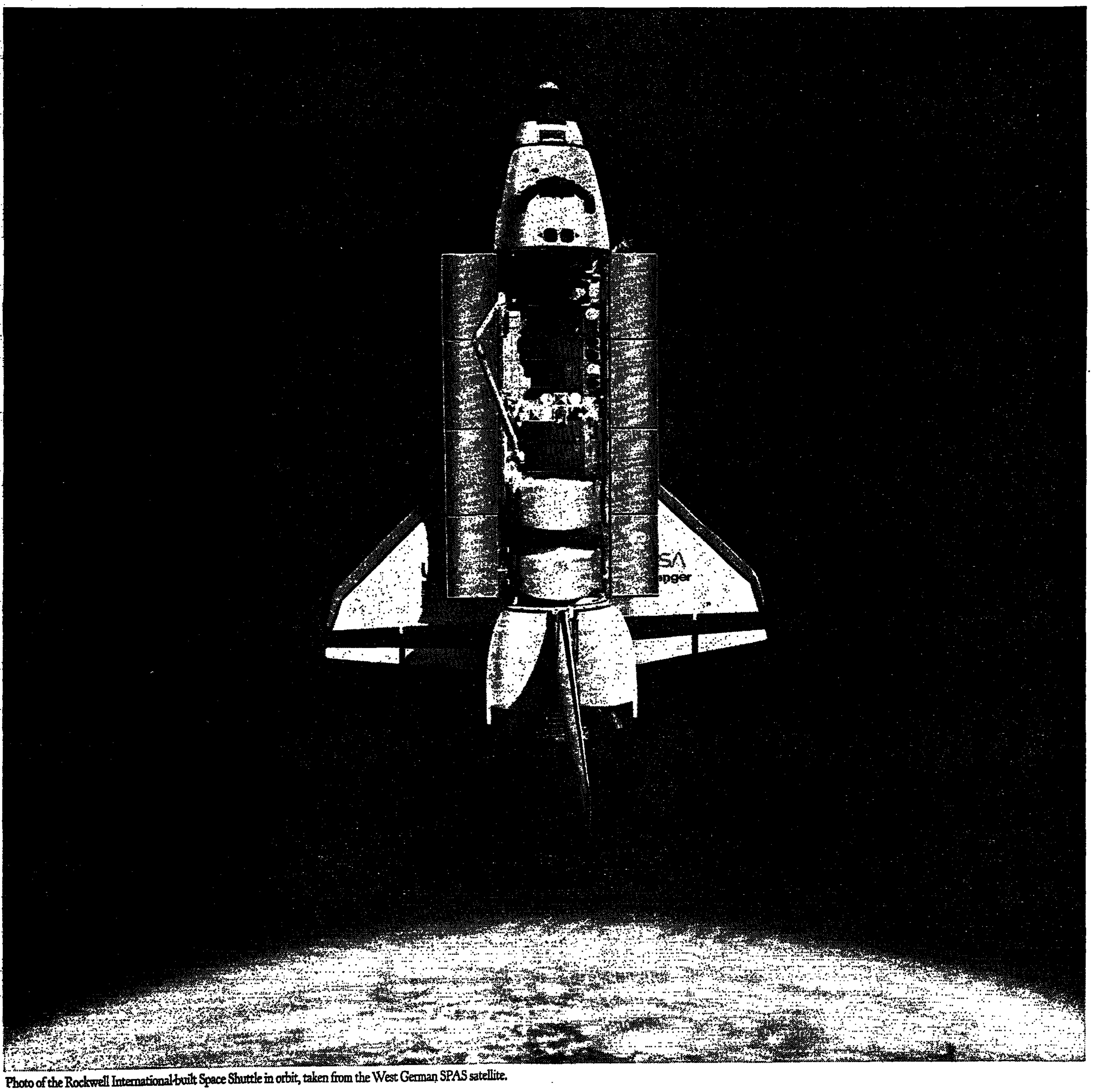

Photo of the Rockwell International-built Space Shuttle in orbit, taken from the West German SPAS satellite.

JOBS COLUMN

Marketing best breeder of chief executives

BY MICHAEL DIXON

WHERE do chief executives come from? Many a reader will perhaps suspect they are cloned if not still cobbled together by an older technology on the Frankenstein pattern. But that is not the answer if we are to believe the Heidrick and Struggles executive-search consultancy.

At the start of the year it surveyed 211 United Kingdom chiefs newly appointed to the organisational peak during 1983. It has been making a similar survey each year since 1979.

The main breeding ground proved to be, as always, sales and marketing. About 38 per cent of the chiefs appointed last year had specialised in that area before rising into general management, compared with a maximum of 42.5 per cent in 1979 and a minimum of 32 per cent in 1981 just after the slump in the UK executive jobs market had reached its nadir.

In 1980 as the recession was plunging into the depths the fierce folk from finance took second place with 29 per cent of the year's top appointments, only to fall back in the following two annual surveys first to 21 and then to 20 per cent. In 1983 they recovered a bit to 23 per cent.

That left them in third place behind specialists in manufacturing and engineering with 24.5 per cent. But the rude mechanicals were down from their two best scores of 32 and 29.5 per cent in 1981 and 1982 respectively, even though up on their 22 and 20 per cent of 1980 and 1979.

For the third time in the five years of the surveys none of the new chiefs came from personnel management. Its only appearances in the lists were in 1980 with 5 per cent and the following year with 4.

"This may be a reflection on continued high unemployment which has certainly led to a reduction in industrial relations problems," Heidrick and Struggles says, "but probably *arises from the staff role in* which personnel is generally perceived. In the UK the term 'human resources management' is still rarely used and generally is not given the emphasis which it would enjoy in major U.S. corporations."

The blow to the self-esteem of personnel managers can only be sharpened by the fact that two of the 211 chiefs appointed last year came from purchasing. Six of them had previously specialised in research and development—"which reflects the growing importance of high-tech industries in our economy."

The result of the survey which naturally most pleases the headhunting consultancy is that last year the proportion of the chiefs who had been appointed to the top job from another organisation, as distinct from being promoted internally, reached its highest point at 37 per cent. In 1980 outside appointments accounted for only a quarter of the total.

Electronics head

RECRUITER Bob Archibold of Archibold Rae Consultants is offering a job west of London as general manager of the UK division of a U.S. based international manufacturer of electronic instruments and systems. Being unable to name it he promises to abide by any applicant's request not to be identified to the employer without specific permission. The same goes for the other recruitment consultants to be mentioned later.

With supporting management services and technical expertise from the U.S. manufacturing branches and in liaison with other European operations, the recruit will have the prime task of raising the division's annual turnover from £4m to £10m in three years.

There will be emphasis on the development of subordinate staff as well as on the introduction of new products and the consolidation of the existing range. Preferred age bracket 35-45.

Candidates must be professional managers capable of assuming full responsibility for the division's profits. Knowledge of, if not higher education in electronics is also wanted. So is demonstrable success in motivating a sizable staff.

The rewards will total around £35,000, with the way they are made up open for negotiation. The other benefits will include a company car and options on shares in the group.

Inquiries to Mr Archibold at ARC. The address is 7 London Road, Newbury, Berkshire RG13 1JL. The telephone number is 0635 33445.

Mixed batch

THE FIRST of the next batch, all being offered by headhunter Tony Nevile, appropriately requires experience of batch production in the chemicals industry. The job is for a managing director in London of the £20m-turnover UK division of an international manufacturing group.

Candidates must show ability to increase the division's profits by raising manufacturing efficiency, developing computerised stock control, fostering good industrial relations, improving quality, and strengthening distribution nets and otherwise expanding sales especially in Europe. Salary £30,000 plus car.

Mr Nevile's second offer, again London-based, is for a business development manager to win extra markets for the expertise of a £2m-turnover microelectronics group by building up new business particularly in industrial applications of microelectronics. Success in similar work needed. Salary £20,000 plus car.

The batch ends with a British group's need for two sales experts and a systems engineer abreast of latest developments in high-technology products and services, including fibre optics, for defence and security as well as the oil and other industries. All will travel from their base south-west of London, one sales specialist covering western Europe, the other the Arabian gulf, and the systems engineer pretty well everywhere.

The essentials are success in similar work with high-technology businesses and skills in dealing with senior people in government as well as commerce. Salaries about £20,000 with cars and results-related bonuses.

Inquiries to Anthony Nevile International, 31 Castle St., Farnham, Surrey GU9 7JB: tel 0252 711311, telex 858623 Telburg.

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A DEPUTY managing director able quickly to earn the top job with a London-headquartered *construction group is sought by* recruiter Brian Woodhead (The Coach House, 95a Hagley Road, Birmingham B16 8LG; Tel 021-455 9292, Telex 337492 Comcab G). The company which specialises in controlling big building contracts requires candidates to be successful in the top-level management of such contracts and also — for some peculiar reason — to have a degree.

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Shopfitter

A SALES ace in shopfitting or something very similar is sought by consultant David Wilson Bell to travel the UK and sometimes to Europe as commercial manager of a London company specialising in shopfitting services to multiple retailers of textiles and clothing. Recruit expected to earn £10,000 commission on top of £15,000 salary, plus car. Inquiries to Wilson Bell, Chesham Executive Centre, 150 Regent St., London W1R 5FA; Tel 01-734 5351, Telex 261426.

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Applications, which will be treated in confidence, should include details of career to date and be addressed to J. D. Vine (Ref: FT/10), Vine Potterton Limited, 152/3 Fleet Street, London EC4A 2DH.

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City, c.£22,500 + car

This small subsidiary of a £2 billion turnover U.K. retail trading Group provides import/export documentation and payment services to the Group and others and acts as a confirming house in its own right. The Managing Director is retiring in the near future after many years service and a successor is sought to continue and increase the profitable operations of the company. Candidates, aged mid to late thirties, will be experienced in international trade finance, and will have held responsible posts in banking, credit insurance, a confirming house or similar entity. Drive, personality and an entrepreneurial nature will be needed to develop new business from concept through to final payment and to manage the Company's experienced and competent staff. Benefits and prospects are those of a major professional group and can only be described as excellent.

I.L. Duff, Ref: 18050/FT. Male or female candidates should telephone in confidence for a Personal History Form **01-734 6852**, *Sutherland House, 5/6 Argyll Street,* **LONDON,** *W1E 6EZ.*

Young Eurobond Trader

Broaden our Presence

This major international investment dealer and brokerage house has enjoyed steady and profitable growth over the last ten years. As part of the company's planned corporate strategy, the London branch is now seeking a Head Trader to build up its secondary market penetration in eurobonds.

You have good, but not complete, experience in bond trading and you feel you are being limited both in the instruments in which you can trade and in the degree of responsibility available to you. You are realistically ambitious and would prefer to innovate and lead rather than to follow a well trodden path in a major house.

If this type of challenge appeals to you and you would like to find out more, please ring or write, in complete confidence to Carmina Leon, of Cripps, Sears & Assoc. Ltd., Burne House, 88-89 High Holborn, London WC1V 6LH. Telephone 01-404 5701.

Cripps, Sears

Manager-Equities Department

KUWAIT • c. £65,000 TAX FREE

This position is with the successful and rapidly expanding equities department of a well established and highly regarded Kuwaiti investment bank. He, or she, will lead an experienced and enthusiastic team of dealers and will be expected to encourage active and profitable trading and to make a significant contribution to the development of the portfolio management function through the introduction of new products and services.

The ideal candidate will have at least ten years' investment management experience which should include the application of modern analytical and evaluation techniques and must include extensive experience with US and/or Japanese equities. A degree in economics or similar numerate discipline is preferred, but the ability to deal profitably and to contribute imaginatively and constructively is of prime importance.

Salary is negotiable around £65,000 and the benefits will include free furnished accommodation, car, school fees and annual home leave.

Please send brief career details to A. R. Duncan at Bull, Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE or telephone 01-409 2188 for a confidential discussion.

Bull Holmes
PERSONNEL ADVISERS

GROUP PENSIONS MANAGER

NOTTINGHAM

Dobson Park is a specialised engineering group of companies employing over 5,600 personnel, with a turnover in excess of £180m. Operating activities in the U.K. are located in the North of England, East Midlands and London.

The Pensions Department, based at Group Headquarters in Nottingham, administers two contracted-out schemes for approximately 4,500 members and 775 pensioners.

The successful candidate will be responsible for all aspects of pensions administration throughout the group in the U.K. and for co-ordination of the group's overseas pension schemes and will provide a comprehensive advisory service to management, assisted by a small specialist department.

Applicants, preferably in their thirties, should hold an appropriate professional qualification and have significant relevant experience gained in industry or with a firm of pensions consultants.

Starting salary will be dependent upon age, experience and qualifications.

Applications including brief c.v. quoting current salary, should be sent to:—

D. M. Quick
Dobson Park Industries plc
Manchester Road
Ince
Wigan
Lancs. WN2 2DX

An Equal Opportunity employer.

Eurobond Broker **Salary c £19,000**

Our client seeks an established broker with a minimum of three years trading experience to manage their active secondary market book.

Applicants must also have the capability to cover the primary markets in the absence of the department head.

Credit Manager **Salary c £16,000 + benefits**

A West End based bank require an experienced credit officer to monitor and supervise their loan portfolio. This is not an analytical position. Applicants must have several years lending experience encompassing credit assessment, loan administration, man-management and management reporting. The ideal candidate will be a bureaucrat aged around 30 with a good education.

Please contact Diana Warner.

Jonathan Wren BANKING DIVISION

170 BISHOPSGATE
LONDON EC2M 4LX
01-623 1266

Merchant Banking

S.G. Warburg & Co. Ltd.

International Capital Markets

We are seeking executives with the potential to make a significant contribution to our expanding international capital markets business.

Successful applicants will be aged between 25 and 32 with a business school degree or a professional qualification. Relevant experience and fluency in foreign languages would be an advantage.

Applications, enclosing a curriculum vitae, which will be treated in strict confidence, should be sent to:

G.E.J. Wood, Executive Director,
S.G. Warburg & Co. Ltd.,
30 Gresham Street, London EC2P 2EB.

TREASURY FOREIGN EXCHANGE

Well established and expanding LDT requires person to be responsible for all aspects of Treasury and FX functions. *Regarded as a senior position* this would particularly suit person of broad experience in above fields who is considering or has recently taken early retirement from larger banking organisation.

Write, enclosing full cv, to:
Box A8596, Financial Times
10 Cannon Street, EC4P 4BY

MONEY BROKERS

We are urgently seeking experienced brokers in the following fields:
Euro-Sterling, Local Authorities, Interbank & Commercial
Salary full negotiable

Apply to:
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2nd Floor, Bank Chambers
214 Bishopsgate
London E.C.2
01-247 0053

CJA

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-638 9216

Opportunity to head up Eurobond Sales operations

EUROBOND SALES EXECUTIVE

CITY **£40,000-£50,000+Car**

RAPIDLY EXPANDING MERCHANT BANKING SUBSIDIARY OF MAJOR INTERNATIONAL BANK

We invite applications from candidates, aged 30-38, with not less than 5 years in the placement of Eurobond Issues in Middle East, principal European and North American capital markets. Good spoken French and/or German is essential and experience of other capital markets will be an added advantage. Reporting to the Managing Director, the successful candidate, in control of a growing team, will be responsible for very substantial annual Eurobond sales. The ability to further develop existing relationships and to expand the international client base is necessary, making use of existing personal client contacts. Essential qualities must include both management skills and a capacity to identify and exploit market opportunities. Initial salary negotiable £40,000-£50,000, car, non-contributory pension, free life assurance, family medical insurance, subsidised mortgage facility, relocation expenses if necessary. Applications in strict confidence under reference ESE4260/FT to the Managing Director:

A varied and challenging appointment — scope for early appointment to the Service Company Board

PERSONNEL MANAGER

LONDON **£16,000-£19,000**

RAPIDLY EXPANDING INTERNATIONAL LLOYD'S INSURANCE BROKING GROUP

We invite applications from candidates aged 32-42, who have acquired at least 5 years' practical personnel experience in either commerce or industry, and not less than 3 years leading (or as the number 2), a broadly-based personnel activity, preferably in the insurance broking or allied fields. The successful candidate will be responsible for the total personnel function, through a small team, covering recruitment, employee counselling, in-house training and the further computerisation of personnel data. A positive, resolute approach plus a good understanding of employment legislation is important. Initial remuneration negotiable, £16,000-£19,000 + car, contributory pension, free life assurance, free family medical assurance, assistance with removal expenses if necessary. Applications in strict confidence under reference PM4258/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.

** Please only contact us if you are applying for one of the above positions.*

Company Lawyer

A challenging career role for a young commercial professional

Excellent salary + car **West London**

Rank Xerox is an internationally successful market leader in the field of advanced business communications. We are currently seeking a young, exceptionally able Lawyer to join our small, but vitally important UK Legal Department.

Reporting to the Company Secretary, you will have a key role in providing management with legal *advice and support to assist the company in* achieving our corporate and business objectives. This will involve counselling in a broad range of legal disciplines including the preparation of commercial contracts, with the emphasis on high-technology products, guidance on employment law, trade mark usage and consumer credit legislation and many other matters requiring legal interpretation.

The need is for someone with at least three to four years' post-qualification experience in the commercial department of a private practice, or in a company's legal department. You will have a good academic record, followed by relevant experience gained in a commercial environment plus the personal qualities of energy, flexibility, interpersonal skills — and a sense of humour.

The remuneration package is very attractive to *reflect the importance of the position and our* demand for a high-calibre lawyer. Benefits are comprehensive and will include an executive car. Career prospects are first-class, both within the UK company and in Rank Xerox International.

Please write with full career and personal details to: Margaret Reddington, Rank Xerox (UK) Limited, Cambridge House, Highbridge Industrial Estate, Uxbridge, Middlesex.

RANK XEROX

GENERAL APPOINTMENTS APPEAR EVERY THURSDAY

Rate £34.50 Per Single Column Centimetre

How two Economists can help shape Scotland's Future!

The shaping of Scotland's economic future is one of the objectives of the Scottish Development Agency.
In furtherance of this goal the Planning and Projects Directorate has the remit of formulating, developing and implementing programmes and projects to strengthen and diversify the economic base. In addition, in support of these *activities, a small team has been* established to provide and maintain an economic advice and information service. The Directorate now has the following two opportunities for professionals keen to further an already successful career.

Head of Economic Services

Ref. No. FT/PPD13

A self-motivated individual with substantial experience and first-rate qualifications is required to head the Economics Services unit and carry out analysis of economic trends and conditions relevant to the Agency's sphere of activities.

To succeed in this position, you must be able to identify and present effective briefing material to senior management, *enhancing the Agency's day-to-day* operation and the development of future strategy.

Allied to your well developed communication skills, you must have a good honours degree in Economics or a related subject and preferably some experience in providing an industrial economic service. A knowledge of computer services whilst advantageous is not essential.

Industrial Economist

Ref. No. FT/PPD52

A creative thinker with a strong Industrial Economics background is required to make a positive and innovative contribution to the formulation of the Agency's industrial development programme. You will be asked to seek means of mobilising and developing the potential that exists in the Scottish economy, involving the identification of strategies and programmes for implementation in partnership with companies, government and other public and private bodies which offer the prospect of long term growth in a Scottish environment. You will supervise internal and external reviews and negotiate and supervise programme and project agreements.

Allied to your good honours degree in Economics or a related subject, you must *have a proven record in industrial* economic research or consultancy, be self-motivated, enthusiastic and determined to get results.

Highly developed communication skills are an obvious pre-requisite.

An attractive salary of £13,000+ is on offer for both posts with the prospect of advancement within a performance-related salary structure. Please submit a full C.V. quoting the appropriate Reference Number to:
David Swift, Staff Executive,
Scottish Development Agency,
120 Bothwell Street, Glasgow G2 7JP.

Open to male and female applicants. *All applications must be submitted within 10 days of the appearance of this advertisement.*

Scottish Development Agency

DIRECTOR – OPERATIONS

– FACTORING & RELATED SERVICES

Salary: Negotiable
Executive Car
Banking Benefits

The trade finance division of a well established licensed deposit taking institution is seeking to appoint a director to assume full responsibility for the development and control of all client and credit management functions.

The division has enjoyed major asset growth over recent years through selective marketing and application packaging of its comprehensive services. This strategy, consistent with acceptable levels of profitability, will continue to be aggressively pursued to achieve corporate market share objectives.

Reporting directly to the divisional controller, the appointee will be heading a small, dedicated team and to preserve flexibility, will often be personally involved in administering a proportion of the daily work load.
Client accounting and reporting systems are computerised utilising current technology.

Candidates will be "self-starters", able to evidence absolute integrity and will probably be graduates or professionally qualified in an accounting or legal discipline. Preferred age: early to late 30's. Specific skills in credit assessment, portfolio management and realisation, including contract administration should be readily demonstrated. In particular, intellectual agility and a highly developed sense of *commercial awareness and perception is demanded.*
The nature of the role also requires strength of character balanced by an inherent empathy with, and understanding of people and their motivation.

An attractive remuneration package which will include normal banking benefits and an executive car will be negotiated with the successful candidate.

Please reply in confidence giving concise personal and career details together with a handwritten covering letter *indicating any companies you do do not wish to approach.* It is regretted that no telephone enquiries can be accepted.

S. Carden
Arthur Andersen & Co.,
1 St. John's Gate,
Valpy Street,
Reading RG1 1JW.

CAREER MINDED YOUNG EUROBOND DEALER

Attractive Salary plus banking benefits

This is for an expanding International Bank, presently with a very small team. It would ideally suit an ambitious assistant dealer with some experience in Straight and Convertible bonds, who would like to enhance his/her knowledge and experience. The salary offered is negotiable to match your own valuation.

Speak to Sally Poppleton in complete *confidence*
01-481 3188

CHARTERHOUSE APPOINTMENTS

CHARTERHOUSE APPOINTMENTS LIMITED
EUROPE HOUSE · WORLD TRADE CENTRE · LONDON E1 9AA · 01-481 3188

Research Assistant

International Management Consultancy

Rapidly-growing London office of an international management consultancy seeks experienced researcher to work with consultants in solving complex business problems. Position requires exceptional intelligence, dedication, ability to work in an unstructured entrepreneurial environment and an intimate knowledge of UK and European business information sources. A good university degree, one to five years of business experience and proven fluency in a European language are required. Outstanding salary for the right person.

Send curriculum vitae in complete confidence to:

Mr. A. Sobel
MANAGEMENT ANALYSIS CENTER
14 Mount Row, London W1Y 5DA

Leasing Manager

City **Remuneration to £20,000 pa + usual bank benefits**

Central Trustee Savings Bank Limited, a member of the TSB Group, wishes to appoint an additional Manager to join its expanding Leasing Department, to participate in the development of its corporate financial services.

The responsibilities of the successful applicant will include:

- *the identification, evaluation and* development of leasing opportunities arising both from the bank's customers and other sources,
- the structuring of leases, including syndicated leasing packages, to meet customer requirements,
- the assessment of credit risk and the negotiation of leasing proposals and associated *documentation.*

Applications are invited from individuals with extensive knowledge of the leasing market, covering medium and big ticket transactions. A professional qualification in banking, accounting or law is highly desirable. The preferred age range is 30-35, although this should not preclude applicants otherwise qualified from applying.

Reporting to the Chief Leasing Manager, the successful applicant will be highly motivated, enjoy working in a small team, and be capable of assuming immediate responsibility for the management of the existing leasing portfolio.

In addition to remuneration up to £20,000 pa, other benefits include a subsidised house purchase mortgage, a non contributory pension and free BUPA. Full relocation *expenses will be met where appropriate.*

Applications should be addressed in writing to:
J Black, Assistant Personnel Manager,
Central Trustee Savings Bank Limited, PO Box 99,
St Mary's Court, 100 Lower Thames Street, LONDON EC3R 6AQ

TSB
BANK

Investment Fund Managers

Several of our Merchant Banking clients wish to expand and strengthen their Investment Departments in the Management of both Private Clients and Pension Funds. Candidates, aged between 25/35 years, will probably be graduates with several years experience of Fund Management with a Merchant Bank, Stockbroker or Financial Institution.
Successful candidates will be offered highly competitive remuneration packages including the full range of merchant banking benefits.
Please telephone or write enclosing a Curriculum Vitae to Peter Latham.

Jonathan Wren BANKING DIVISION
170 BISHOPSGATE
LONDON EC2M 4LX
01-623 1266

STOCKBROKERS

EAST ANGLIA

Charles Stanley & Co. seek additional Members and Senior Stockbroking personnel (investment or admin.) to complement their successful and growing Cambridge and Ipswich branches. If you live anywhere in East Anglia and would like to work with a City firm, but locally, write to:

D. H. S. Howard
CHARLES STANLEY & CO.
18 Finsbury Circus, London EC2M 7BL
Charles Stanley & Co. — Serving East Anglia

هكذا من الأصل

PORTFOLIO CONTROLLER

Trade Finance: Accounts Receivable and Commercial Loan Financing

FACTORS

Factors Trust's philosophy is to invest in successful business organisations by financing current assets. Already known as a leader in our market, our consistent growth stems from an irrevocable committment to maintain the highest standards of professionalism.

We now wish to invest in a Portfolio Controller.

The appointee will be working closely with a portfolio administrator and two assistants. Accountable to the Managing Director, the position involves evaluation and risk analysis of new business proposals. Direct responsibilities cover facility documentation and portfolio maintenance by regular review, analysis and audit.

A sophisticated electronic banking system automatically disseminates prime information to clients.

Ideally a graduate or Chartered Accountant, the successful candidate should be suitably experienced, have a mature approach and be both able and prepared to take balanced decisions.

Factors Trust can offer a stimulating career and operates from attractive offices in Bristol. Salary is negotiable and benefits include a two lifre car, mortgage subsidy and contributory pension scheme.

Applications in own handwriting please detailing full personal and career history in confidence to Peter Garner, Managing Director, Factors Trust Ltd., 61, Queen Charlotte Street, Bristol BS1 4HQ.

Associate Director
Expand Our Business
Sovereign Risk

Following a restructuring, this leading international merchant bank is committed to expanding its international lending business. To achieve this, two new positions at Associate Director level have been created.

You will join a small team which has already established itself as a major force in the loan and bond markets. Your main responsibility will be to develop sovereign risk business with new and existing customers mainly in Europe.

In your late 20's/early 30's with at least five years' experience in international lending, it is essential that you possess a successful track record to date, good marketing skills and ideally a second language.

The rewards for the right candidate will be extremely attractive and include a negotiable salary, car and normal banking benefits. For a confidential discussion telephone or write enclosing a CV to Barbara Lord, Senior Consultant, Cripps, Sears & Associates Ltd., (Personnel Management Consultants), 88/89 High Holborn, London, WC1V 6LH. Tel: 01-404 5701 (24 hours).

Cripps, Sears

TORONTO DOMINION BANK

INTERNATIONAL BANKERS

Toronto Dominion Bank, is one of the longer established International Banks in the City with strong UK and world-wide representation.

As part of our continuing expansion programme in London we wish to recruit two university graduates with at least two years' international banking experience for excellent career opportunities in the areas of Marketing and Credit Analysis.

Following exposure, both in the UK and Canada, to our corporate banking activities, a challenging first appointment would be made in London.

While a second European Language and a willingness to re-locate outside of the U.K. at some future date would be desirable, neither of these factors are essential.

Please write including full details of career to date to: Mark Heyes, Manager, Human Resources, Toronto-Dominion Bank, St Helens, 1 Undershaft, London E.C.3

TD

MAJOR US BANK

INTERNATIONAL BANKER

LONDON c.£23K + CAR + BENEFITS

We have been retained by a major US International Bank which requires an international banker to consolidate and develop its marketing activities in the Indian sub-continent.

Supported by the small existing team, the successful candidate will have responsibility for market assessment, customer development and credit proposals; he will act as the focus for the Bank's activities with multinational and institutional clients in the area.

The candidate, with a strong credit background, will have had at least four years international experience probably with a US bank. This position requires a sensitivity and understanding of local conditions combined with the determination to complete transactions.

Based in London with overseas travel the job offers an attractive remuneration package together with excellent benefits.

For further details please write or telephone

R

Rochester Recruitment Ltd., 21 College Hill, London EC4R 2RP
Telephone: 01-248 8346

Chase Manhattan Capital Markets Group

Manager Securities Distribution and New Issues

This position represents an exciting opportunity to join Chase Manhattan Limited, the London-based subsidiary of the Chase Manhattan Capital Markets Group.

Based in Switzerland, the candidate (Swiss National or Swiss permit holder) will be responsible for securities distribution and new issue activities. Ideally, he or she will be self-motivated with a minimum of three years' experience of securities and money market instrument distribution in Switzerland and show the ability to build and lead a team. For the right candidate, Chase is offering a highly attractive salary plus bonus plan and all the benefits you would expect from a major international bank.

Please write in confidence, detailing career to date, to Claude A. Ruscheweyh, Chase Manhattan Limited, 8th Floor, 16 Coleman Street, London EC2P 2HD, or telephone London (01) 726-5764.

CHASE

STOCKBROKING/BANKING

EUROBOND DEALER	c£30,000 + MORT
JUNIOR EUROBOND DEALER	c£15,000 + MORT
TREASURY DEALER	c£15,000 AAE
BOOK-KEEPER (S/B EXP)	c£10,000 + BONUS
PRIVATE CLIENT LEDGER CLERK	c£9,000 + BONUS
VALUATIONS CLERK	c£8,000 + BONUS
FOREIGN SETT'S CLERK	c£8,000 + BONUS
CONTRACTS CLERK	c£7,500 + BONUS
FX BACK-UP CLERK	c£7,000 + BONUS
FOREIGN EXCHANGE DEALER	c£7,000 + BONUS
SETTLEMENTS CLERK (HONG KONG, AUST)	c£6,500 + BONUS
ADMIN ASSISTANT (INVESTMENT CO)	c£6,500 + BONUS
UNIT TRUST/TRANSFER CLERK	c£6,000 + BONUS
RECONCILIATION CLERK	c£6,000 + BONUS
CORRESPONDANCE CLERK	c£5,500 + BONUS
FILING CLERK	c£5,000 + BONUS

FOR FURTHER DETAILS OF THE ABOVE AND MANY OTHER BANKING/STOCKBROKING VACANCIES CALL US ON 623 0101

CAMBRIDGE APPOINTMENTS, 202 BISHOPSGATE, EC2

INSTITUTIONAL SALES

We are looking for an additional sales-person for our UK Institutional Sales Team. The successful candidate will probably be below 30 and a self-starter with several years' broking experience. This position may appeal to an analyst with knowledge of our specialist equity sectors whose career plan encompasses the Sales discipline.

Remuneration will depend upon experience.

Write in confidence to:
C. C. Line

Spencer Thornton & Co.
Members of the Stock Exchange

Spenthorn House
22 Cousin Lane
London EC4R 3TE

International Banking

GILT DEALERS

With the advent of change within the financial markets in London, we now seek on behalf of a U.S. investment house and U.S. merchant bank, gilt traders from the London stock market. Prospective applicants should have two to three years' relevant trading experience including the running of a liability position.

Given this criteria it is likely that the successful applicant will come from the stockjobbing fraternity.

Salaries offered are realistic with a production-related bonus, cheap mortgage facilities, personal loans, plus normal benefits associaated with such prestigious names.

Interested applicants should contact:
STEPHEN DOPSON on 01-588 4681

FTB Recruitment (London) Limited
Tel: 01-588 4681.

UNIQUE CAREER OPPORTUNITIES

FINANCIAL SERVICES

Kent, Sussex, Surrey and Essex

Highly reputable and well established financial group have career opportunities within its successful sales team. Successful candidates will undergo full and thorough training in order to successfully advise private and corporate clients. Applications are invited in strictest confidence from candidates aged 24-45, resident in the above locations, who are able to demonstrate previous success in any field.

To apply for an initial exploratory interview, write in strictest confidence to:

Box A8424, Financial Times
10 Cannon Street, London EC4P 4BY

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WANTED: SLIGHTLY USED EXECUTIVES

If you are an able, experienced executive or professional person, yet somehow are not making the most of your potential, perhaps you need a new approach to your career. To learn how 'slightly used' executives have profitably renewed their careers, telephone for an appointment which could lead to some four hours free consulting — or send us your c.v.

CHUSID
The Professionals in Career Management

We are also spe[illegible] "Outplacement" for organisations, through our affiliated company Lander Corporate Services Ltd.

London: 01-580 6771 35-37 Fitzroy St., W1P 5AF.
Bristol: 0272 23367, Maggs House, 78 Queen's Rd., BS8 1QX.
Birmingham: 021-643 4830, The Rotunda, New Street.
Nottingham: 0602 584561, Gothic House, Barker Gate, NG1 1JU.
Manchester: 061-228 0089, Sunley Building, Piccadilly Plaza.
Glasgow: 041-332 1502, 141 West Nile St., G1 2RN.

SHIPPING CONSULTANCY

SHIPPING ECONOMICS ADVISORY GROUP (SEA GROUP)

the consultancy arm of Lloyd's of London Press Ltd. requires two additional Consultants to assist in developing this fast-growing organisation

These appointments, which are London-based, involve liaison with executives from all areas of shipping and associated industries plus the development of close links with the oil and dry bulk market. Each position will involve spending time in providing private consultancy for individual clients as well as specific multi-clients.

It is not necessary to have previous consultancy experience but candidates should have a track record of business development, planning or market research in shipping or allied industries. Statistical or econometric experience or qualifications would also be of benefit.

Competitive salaries and fringe benefits will be offered.

Applications in writing to:
Mr. W. J. Harding
Personnel Department
LLOYD'S OF LONDON PRESS LTD.
Sheepen Place, Colchester, Essex CO3 3LP
Telephone: 0206 69222 ext. 212

MANAGER — CHARTERED SURVEYORS

PROPERTY MANAGEMENT ACCOUNTS — LONDON

Our Clients, a leading firm of Chartered Surveyors in Central London, wish to appoint an accountant as the manager of their property management accounts department.

The manager will be responsible for the 15 staff of the department and their duties, which embrace the full range of property management accounting functions, including the control of rental income, service charges, expenses, management accounts for clients and completion statements.

The manager will also be involved with the further development of existing computer systems for the accounting records.

The successful candidate must have extensive experience of all activities in this field and property matters generally, be capable of supervising staff and liaising with clients. Relevant experience is considered to be of greater importance than formal accounting qualifications.

He/she will form part of the senior management team of this leading firm and will have a personal secretary to assist with the workload.

The position carries a very attractive salary and other benefits, commensurate with the seniority of the post.

Please apply in writing, in the first instance, to L. Scott at:

Hacker Young Management Consultants
St. Alphage House
2 Fore Street
London EC2Y 5DH

HARLOW BUTLER SAVAGE

International Money Broking Company

Require a person with experience of currency deposits and forward foreign exchange to deal with overseas contacts. An ability to use a telex would be useful. The successful applicant will receive an excellent salary package.

Please write to Mrs Pat Loutan
HARLOW BUTLER SAVAGE
Adelaide House, London Bridge, London EC4R 9EQ

A direct line to the executive shortlist

InterExec is the only organization specialising in the confidential promotion of senior executives.

InterExec clients do not need to find vacancies or apply for appointments.

InterExec's qualified specialist staff, and access to over 100 unadvertised vacancies per week, enable new appointments at senior levels to be achieved rapidly, effectively and confidentially.

For a mutually exploratory meeting telephone:

InterExec

London	01-930 5041/8	19 Charing Cross Rd, W.C.2.
Bristol	0272 277315	30 Baldwin St.
Edinburgh	031-226 5680	47a George St.
Leeds	0532 450243	12 St. Paul's St.
Manchester	061-236 8409	Faulkner Hse, Faulkner St.

The one who stands out

EXPORT OPPORTUNITIES

MANAGEMENT EXTENSION PROGRAMME

DURHAM UNIVERSITY BUSINESS SCHOOL — NORTH EAST

The programme offers a challenge to experienced managers to build on existing skills and apply them in the small business sector. This is a new opportunity to work with owner managers from small businesses and assist them to develop their export potential. Successful candidates may have experience in-marketing research, marketing/Sales management, overseas selling, consulting and languages.

The programme, starting on 18th June, 1984, provides: 3 weeks training at Durham: up to 5 months project work in-company and overseas: and advice and backing during the project.

Further information and applications forms from:

Mr. E Fuller, D.U.B.S.
Mill Hill Lane, Durham DH1 3LB
(0385) 41919
Closing date 29th May, 1984

Appointments Wanted

SETTING UP A EUROPEAN ORGANISATION

Swiss executive, 49, Product Management, Planning, General Management and Consulting in several key industries would build and run your operation.
Write Box A8589, Financial Times 10 Cannon Street, EC4P 4BY

INTERNATIONAL BANKING WANTED

Graduate man 48 years. Current salary £18k with large City Bank now offers his wide experience in International Banking to U.S. or other Foreign Bank expanding its wholesale operations in London.
Write Box A3590, Financial Times 10 Cannon Street, EC4P 4BY

Accountancy Appointments

CHIEF ACCOUNTANTS

c. £15,000 + car

Two appointments. Both major opportunities

Sea Containers is looking for two ambitious accountants who would enjoy the challenge and opportunities presented by a company with diverse interests and a superb expansion programme. Sea Containers Ltd. is one of the world's largest lessors of marine cargo containers, ships and cranes to the ocean transport industry. The company also has substantial property interests and its sister company, SeaCo Inc., has extensive involvement in the leisure field, numbering 8 top class hotels, 3 European boutiques and the Orient Express among its assets.

Divisional Chief Accountants are needed for both these areas of operation.

CHIEF ACCOUNTANT – ENGINEERING DIVISION

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CHIEF ACCOUNTANT – LEISURE AND SERVICE

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THE ARTS

Sladmore Gallery, London/David Piper

Adrian Jones—master of the horse

Taken by itself, the name Adrian Jones has quite a typical late-twentieth-century resonance—an elegant Christian name qualified by an all-purpose surname. Do very well for an artist emerging from cocoon in the Royal College in the 'Seventies to swiftly opulent spreading of wings and fame in a Mayfair art gallery. Adrian Jones, however, was born in 1845 and died in his nineties just before the oubreak of World War II. His name has evaporated even from very detailed summaries of British art between, say, 1880 and his death in 1938.

This is unjust, as he was responsible for what is arguably the most prominent piece of sculpture in London: the so-called Quadriga of Peace that tops the triumphal Constitution Arch at Hyde Park Corner. The model (now unlocated apparently) for that was shown at the Academy in 1891, and the full-scale version (weight 40 tons) was due to the enthusiastic support of Edward VII. It replaced a colossal equestrian statue of Wellington, the removal of which to Sandhurst was agreed to be a merciful relief for London. It represents the angel of peace stooping from the heavens to take over the chariot of war. The timing of its completion, 1912, was perhaps somewhat ironic, but it survived two global conflicts. Although criticised for an unabashed discrepancy of scale between the gigantic angel and the much smaller horses, from below it reads in fact very satisfactorily, a sporting of divinities on the erstwhile imperial skyline more characteristic of Vienna than London. At least, normally it does. At the moment, its appearance is enigmatic, half-crated in scaffolding, I trust for cleaning.

Grand though it is, I doubt if many passers-by could name either its subject or the name of its creator; also, it competes with what is surely one of the great twentieth-century monuments in Europe, Jagger's superb artillery memorial, which, at ground level, attracts the eye first. Adrian Jones's works are mostly much more modest in scale.

Jones was a qualified veterinary surgeon, a professional soldier, and a great lover of horses. He served with the R.H.A. in India, with the Queen's Bays in Ireland, with the Inniskillings in the Boer War, and later in the 2nd Life Guards. He retired from the army in 1891. He made strenuous attempts to rejoin in 1914 (unsuccessful; he was nearing 70). Meanwhile, his artistic career had been under way since 1884, when he first showed at the Academy. The Academicians, however, never welcomed him into their ranks. He was snubbed by PRA Lord Leighton when he asked him for support on the Quadriga project, and when he showed another very ambitious large-scale equine group at the Academy, he was accused, without any basis, of employing a "ghost" artist. Self-trained but formidably both skilfully efficient and prolific, he resented this ostracisation for the rest of his long life.

That second large group was a plaster of "Duncan's Horses," and it is this that has provoked the present loan exhibition of Jones's work, at the Sladmore Gallery in Bruton Place (till June 1). "Duncan's Horses" themselves are not present. They were given to the Royal Veterinary College at Hatfield; they were never cast in bronze, and a remedial skin of glass fibre and polyester resin is failing to arrest decay of the plaster. Proceeds from the exhibition go towards the appeal for restoration of the group, and its casting in bronze, and will it is hoped be augmented by the sale of bronzes cast from five of the statuettes included in the show, in editions of nine.

Polo Player by Adrian Jones

One reason for critical neglect of his quality is perhaps that he worked mostly in one-off commissions, and his bronzes were not reduplicated, remaining generally in the private collections of the commissioning families, or regiments. A very high proportion of his output must have been these small-scale portraits of favourite horses, whether Derby winners, hunters or regimental chargers. A portrait bronze of a horse offers generally both only limited scope for the exercise of imaginative power and a limited appeal to the wider public, even if, for lovers of horses, they are irresistible.

Ruskin once demanded of animal-painters that they think of their subjects "essentially with their skins on and with their souls in them . . . the knowledge of bones and meat, of joint and muscle is more a hindrance than a help." The soul of the horse is an elusive quality to grasp. Such statuettes have to be static, the equivalent, in stable terms, of the board room portrait. Jones's are admirably professional, do not over-emphasise details of the anatomy, but tend to the bland, even though his characterisation of the equine phiz in repose—loose in lip, bulge-eyed in deep sockets, haughtily disdainful—is often highly individual.

The sculptor's real, and remarkable, gift seems to have been rather for the capture of figures in motion, in his ability to model them turning on themselves in irresistible rhythm. A little polo-player for example. Or an Inniskilling memorial (that travels with the Mess, brought over from Osnabruck): a shell-shocked horse, reacting convulsed, its saddle empty. It is perhaps a little over-descriptive in its accoutrements, but is by no mean an unworthy variation on the theme of horses terrified by lightning, dear to painters like Sawrey Gilpin in England, Gericault and Delacroix in France.

Astonishing in its complexity is a group (from the Royal Artillery Museum) showing a field gun going into action, still limbered to its ammunition carriage and four horses, with five gunners. It is all caught, straining, in a slope of battered mud, and mud clings to the wheels. The detail here, of uniforms, harness, gun equipment, is translated into bronze with loving completeness but in this case the swirl of the composition, drawing the onlooker compulsively round it, absorbs all in its movement. Dating from 1921, although in a sense almost a Boy's Own Paper version, in idealised heroics, of the horrors of the 1914-18 war, it is admirably realised, a virtuoso performance.

The show includes also some paintings by Jones. These are honourable exercises in the enduring English tradition of horse-painting, but will not establish his name as a painter of importance. The talent, informed by a highly professional knowledge of equine anatomy, was for modelling and best with action. It is well worth a look, and afterwards you can go forth and contemplate his monumental works around London—besides the Quadriga, the equestrian Duke of Cambridge in Whitehall; the Cavalry Memorial transplanted into Hyde Park (though for years I was convinced that represented Joan of Arc)—but perhaps, most agreeable of all to the Londoner's eyes, those two bronze pointers that guard the porch to St George's, Hanover Square, whither they were moved in 1940 from outside a blitzed tailor's shop in Conduit Street.

La Bohème/New, Cardiff

Max Loppert

The first Welsh National Opera *Bohème* for at least a decade was not without a few birth pangs on the way to Tuesday's premiere—the "concept" of the originally scheduled producer, Lucian Pintilie, instigator of the company's ridiculous *Carmen*, proved "impossible to realise" (in WNO parlance), and Göran Järvefelt, of the company's *Ring*-in-progress, was called in to provide a replacement at a fairly late stage. So it is a relief to report that the performance itself proved no makeshift effort but, by and large, what a WNO *Bohème* should be—lively, youthful, direct, and sensitive, not lacking in ideas about the piece but unencumbered by modish attempts to dig some Deep Structure out of Puccini's tight, perfectly proportioned sentimental romance.

One appreciates the exact proportioning of the acts with renewed admiration because producer and designer (Mochael Yeargan) manage to whisk each one on and off the stage with great address (only a single interval) and freedom from predictable routine. Mr Yeargan's attic set, sweepingly angled, may lack the necessary elements of enclosure — doors and walls are *important* in this opera! —but he has observed, alertly and imaginatively, the curious apparel, experiments in style, and ritual behaviour that go with poverty, studenthood, and youth; the passage of seasons through the four acts, and particularly the arrival of spring in the last, make a real contribution to one's sense of the characters and enjoyment of the score.

Helen Field as Mimi

Touches of Zola-esque realism, such as the full dustbins in Act 3, are sensibly restrained (the action is advanced, without harm, to around the 1890s); even when the horseplay threatens to become untidy, or when Musetta and Marcello in their exuberance draw the attention improperly away from the Act 3 farewells, one always feels a freshness of perception underlying the turn of events.

The youthful cast is an essential part of that freshness. I should now like a much more stringent concentration *passim* on musical niceties, on finish of phrase and dynamic subtleties. The conductor, Kees Bakels, will make it a much more realistic prospect when he calms down — on Tuesday his heady energy often resulted in light voices all but swamped in orchestral brilliance (now that the New pit is enlarged, the potential for voice-drowning even in a small house has grown disproportionately). It was a strange idea to give the opera in Italian with an entirely English-speaking cast; and of its members only the Rodolfo, the American John Fowler, possessor of a small but quite pleasing high tenor, seems so far able to articulate words in phrases of any colour or nuance.

Helen Field's Mimi needs particularly to work on the weighting of Italian vowels and consonants—one knows what a musical singer Miss Field can be, and she has all the other attributes of the role, except perhaps effortless tonal beauty, in distinctive and eloquent array. Donald Maxwell's Marcello is lively, perhaps a bit too much so, and rather nasal in delivery; Suzanne Murphy wears the extravagant costumes confected for Musetta in lovely post-*Merry Widow* style. The other Bohemians, Nicholas Folwell (Schaunard) and Matthew Best (Colline), do very well—a sense of the camaraderie between the student quintet remains strong at final curtain, and supplies a final example of the production's unforced touch.

Halka/Theatre Royal Brighton

Ronald Crichton

The Warsaw Chamber Opera reserved for the Brighton Festival the premiere of a new production of Moniuszko's *Halka*—during the remainder of the week they will give (as well as *Così fan tutte*, performed last night) *Don Pasquale* and *Il matrimonio segreto*. This was the first revival since 1848 of the original, two-act version of what became in the later, four-act form the most popular Polish opera. Comparisons with Smetana's *Bartered Bride* are inevitable but misleading. Moniuszko had no famous successors, no Dvorák or Janácek to follow him. The *Bride* is a comedy, full of human, life-affirming warmth. *Halka*, if not genuinely tragic, is intensely sad and pessimistic. Perhaps that is why it has been little performed outside Poland.

The music, full of sweet, elegiac melancholy, cannot have been a bar. But what did we actually hear on Monday night? Both Festival book and theatre programme were stingy with information. Was this discreet and distinguished, rather Mendelssohnian orchestration, for a modest band without heavy brass, Moniuszko's original or a reconstruction? What of the "arias of the main characters" mentioned in New Grove as added for the later version—did these include Halka's big solo scene in the second act or was that there from the beginning?

Tehs most unusual scene (for the quality of the music: the setting is quite conventional) is the ensemble at the beginning of the second act with the villagers gathered outside the church to await the wedding of their master's daughter to Janusz, son of a neighbouring landowner. As they now learn, Janusz has seduced and abandoned one of their number, Halka. Her hitherto devoted swain Jontek now turns the knife in her wound because even at this stage she refuses to give up hoping for the impossible. Halka spares herself nothing. After the half-hearted attempt to kill Janusz as he comes out of the church with his bride on his arm she relents and blesses the pair before running to drown herself in a mountain stream.

Aleksandra Lemiszka sang the role on Monday (there is a partly different cast at the second performance on Thursday) with grave expressiveness. The voice splayed a little above a level which fortunately, in these intimate surroundings, did not often need to be exceeded. Jerzy Mahler sang Janusz, Andrzej Poraszka the despondently faithful Jontek. Both made effective use of modest means. Teamwork was good, but since the music of *Halka* clearly expects operatic voices if not big or brilliant ones, the result was sometimes thin-blooded.

Ruben Silva conducted the Warsaw Sinfonietta. Kasimierz Dejmek produced, treating situations fraught with melodrama with simple dignity largely successful. The appropriately low-keyed sets and subdued but becoming peasant costumes were by Jan Polewka. The many Poles in the audience followed with a rapt, loyal intensity that communicated itself to the rest of us. I hope that they, and the visiting company, realise that we don't habitually give opera in theatres, however charming, which have no orchestra pit but allow talking commercials during the interval.

English Chamber Orchestra

Andrew Clements

"Mozart in May" is the label for a series of three programmes being given by the English Chamber Orchestra in the Barbican this month, coupling the composer's last three piano concertos and his last three symphonies, and prefacing them with the overtures from his final trio of operas. The scheme might ordinarily be dismissed as astutely planned box-office fodder, were it not for two points of distinction: the audiences so far have been disappointingly thin, and (if Tuesday's concert was a fair reflection) the performances are unusually distinguished. The final concert is tonight.

The ECO is conducted by Jeffrey Tate; his reputation is considerably greater on the other side of the Atlantic (at the Metropolitan Opera especially) than it is at home and opportunities to hear him here in the concert hall are relatively infrequent. I remember an electrifying account of the Sinfonia Concertante and the Haffner Symphony, also with the ECO, broadcast on Radio 3, and to hear him conduct in person was revealing. He is evidently a Mozartian of the most superior kind; every bar is charged with insight and intensity. The overture to *The Magic Flute* was transformed from a mere curtain raiser into a dramatic entity in its own right; too theatrical even for the theatre where it would have run the risk of supplanting the rest of the opera, but in this context vital and impassioned.

To bring up the G minor symphony sparkling with fresh paint was also a considerable achievement, begun almost tentatively and gradually accruing momentum. Mr Tate approaches the composer in a forthright, muscular way; elegance and classical purity take second place to impact and musical point and a superbly sinewy minuet and uncompromising finale were all of a piece, while the detail engraved on the accompaniment to the D major piano concerto K 537 was a welcome counterpoint to what is the plainest solo part in all Mozart's mature concertos. Peter Donohoe was the soloist, respectful and civilised but never quite imposing himself on the music in a way that commanded undivided attention.

Midday Sun/ICA

Martin Hoyle

ICA's contribution to the forthcoming Dutch theatre festival *Fairground 84* utilises the formidable talents of Pete Brooks (Impact Theatre), Geraldine Pilgrim (Hesitate and Demonstrate) and Caryl Churchill (cryptically described as "hottest playwright in London") as well as ICA's theatre director, John Ashford.

Admirers of the two groups mentioned will recognise the emphasis on memory and the contrast between fantasising anticipation and actual realisation. Technical means to attain a dream-like atmosphere shot through with nightmare unease include music, announcements of airline staff throughout the roar of a plane, and endlessly repeated snatches of conversation, finally weaving the verbal texture of a spoken operatic ensemble.

Each continues the story into an individual microphone. The couple separated; the woman sought the exotic; the girl returned to her roots. Approaching gunfire, mention of hardship and war and the Arab's death conclude a piece apparently inspired by our attitudes to the Third World.

Humour (a wrecked piano in the sand may be a remnant from Bogart's Casablanca bar) is less successful than the generation of a mood of waiting, frustration and apprehension. Companies from the Cardiff Chapter and the Edinburgh Traverse, with its emphasis on young Scots writers, may redress the balance at *Fairground 84*; but, as so often with our established theatre groups, one could welcome more substance to the technically impeccable style.

The Comedy of Errors/Barbican

Michael Coveney

The Comedy of Errors has a 20-year history of not being taken seriously at the Royal Shakespeare Company and the latest version, directed by Adrian Noble, has no intention of correcting that trend. What we are presented with is a reasonably competent Fellini-esque floorshow that has nothing to do with the comedy and might just about pass muster as an end of term revue in an impoverished Oxbridge college. All very sad.

The Antipholi are done up, in blue face, the Dromios presented as check-suited clowns who belong to the era of Harold Lloyd rather than that of Russ Abbott. The whole exercise reeks of cultural cross-referencing, with even the Dr Pinch scene done as something peculiar from the bottom drawer of Ron Moody, and the entire RSC cast flaffing around like extras in a particularly bad British musical.

After travesties of this comedy in Regent's Park and thrice at the RSC over the past several years, it amazes me that no one wants to take it seriously. There are themes of separation and gerundive reallocation that are warm and rewarding in theatre terms.

It just seems that the RSC on this occasion, thanks to Mr Noble, is unaware of the possibilities, and bent on some quasi-cinematic parade, curiously designed by Uttz, which gives the lovely Zoë Wanamaker a red shoulder tan to match her legs and John Dicks an appalling effrontery to match his ecclesiastical dignity as Solinus. The show, simply and disappointingly, does not carry.

Edinburgh Festival speculation

Frank Dunlop, director of the Edinburgh Festival, yesterday tried to quell speculation that the newly-elected Labour majority on the city council will threaten the future of the festival.

"There's a genuine feeling of goodwill to the festival, they're just worried that it's going to be elitist," he said. But Mr Dunlop said that if the city council withdrew its grant, this year estimated at £565,000, the festival would immediately go into deficit and its organisers would have to reconsider the programme. He will be meeting with Labour councillors in a fortnight.

"Edinburgh should be a great international festival, otherwise what's the point?" he said.

Lifar at Sotheby's

Antony Thorncroft

The ballet material and manuscripts of Serge Lifar, the last tangible link with Diaghilev's Ballet Russe, were sold at Sotheby's yesterday. Many national institutions were bidding for these rare mementoes, and although some major lots failed to find buyers exceptional prices were established.

Not least was the £148,500 (almost three times the estimate) paid by an American collector for three bound volumes of photographs and memorabilia from the first period of the Russian ballet. It will be given to the Harvard Theatre Collection. The same buyer secured Debussy's manuscript of "Jeux," including Nijinsky's annotations, for £82,500.

Other high prices were the £57,200 for the music library of Diaghilev, and £46,200 for his notebooks from 1926-29. The Library of Congress in Washington paid £33,000 for a portrait of Nijinsky from the studio of Bakst, and the Theatre Museum of the V & A £28,600 for the costume of the Chinese conjuror in *Parade*, designed Picasso. It was a record price for a costume.

The Australian National Gallery acquired costume designs by Bakst for *The Sleeping Princess* for £18,700 and the Swedish Theatre Museum and the New York Public Library were other successful bidders.

Picasso's curtain for *L'apres midi d'un faune* was unsold at £40,000 and the death mask of Diaghilev, in bronze, was bought in at £21,000.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

May 4–10

Exhibitions

LONDON

The Tate Gallery: *the Pre-Raphaelites.* The extraordinary revival of interest of Victorian art in recent years, and its consequent rise in value, has made a proper critical re-evaluation long overdue; and now, with this copious and quite splendid exhibition, the subject is wide open. What had for so long been taken as merely a close and limited movement is clearly shown to be not so except in its earliest year, but rather a looser association of more general relevance. Millais, Maddox Brown, Holman Hunt, Rossetti and Burne-Jones all gain by the chance to be seen on their individual merits, and so emerge as substantial and consistent artists in their own right. The history of British art will never read the same again. Ends May 28.

PARIS

Camille Claudel: 70 sculptures accompanied by paintings, drawings and engravings prove the individuality of Rodin's pupil who, through her realism and, later on, a sense of the theatrical, found her own way. Musée Rodin. Closed Tue. Ends June 11. (705 0134).

Pierre Bonnard: an important retrospective of the painter whose canvases filled with colour and light glorify the beauty of the human body as he painted time and again Marthe, his wife, at her toilet, in her bath. His Mediterranean landscapes radiate the same joyous love of nature. Centre Georges Pompidou (278 7995). Closed Tue. Ends May 21.

Masterpieces of American Painting 1760-1910. More than 100 paintings – among them Whistler's Mother, Sargent's Madame X and Mary Cassatt's Impressionist work – span 150 years of American creation. The panorama of realistic portraits, dramatic landscapes, genre scenes and symbolist paintings culminating with Homer and Eakins and proves abundantly that the New World did not have to wait for the contempodary period to affirm a powerful identity of its own. Grand Palais (261 5410). Closed Tue. Ends June 11.

Italian Illuminated Manuscripts from 6th to the 16th century. 160 exhibits that include such treasures as an illustration of Petrarch's Triumph of Chastity retrace the development of the art of illumination from late antiquity to the Renaissance. Bibliothèque Nationale. All days 12am-6pm, ends May 30. (261 8283).

The Treasure of Saint-Mark: Throughout the centuries the Venetians have amassed priceless chalices, reliquaries, icons and liturigical objects from different periods and different sources, especially Byzantine ones to the glory of their patron saint and their proud city. Venetian goldsmiths were so influenced by the fabulous collections housed in their Basilica that they themselves became pastmasters of "Oeuvre de Venise" – a style and art of their own. Grand Palais, closed Tue, ends June 25 (261 5410).

Splendours of Tapestry. 60 choice hangings from the 15-17th centuries lent by museums, private collectors and gallery owners, among them the admirable Christ's Carrying Of The Cross in wool, silk and gold. Noah's Drunkenness set against a fantastic feudal castle with monsters and exotic birds in singing colours and the foraging party from the suite of the art of war tapestries. Musee Jacquemart-Andre (227 3994). Ends June 17, closed Tuesdays.

Rhyme and Reason – 600 paintings, sculptures and artifacts of the De Menil family collection ranging from paleolithic to minimal art, from Europe, America and Oceania to the Middle East and Greece take up three floors of the Grand Palais. The diversity of time, place and culture is made coherent by the reasoned care and poetic intuition – hence the title – with which this very personal collection has been assembled. Grand Palais, closed Tue, Wed late opening night. Ends July 30. (261 5410).

NEW YORK

Painting in the South (National Academy of Design): Nearly four centuries of work from the American South in 110 paintings include Charles Willson Peale, Winslow Homer, Edward Hopper and Arshile Gorky. Starting with a watercolour, Indians Dancing Around a Pole, from 1585, the show covers the gamut of genres from seascapes and landscapes to portraits and modern works to 1980. Ends May 27.

WASHINGTON

German Expressionist Sculpture (Hirshhorn): This is the first comprehensive look at works in plaster, bronze, wood and porcelain from the first two decades of this century in Germany. Included in the show of 33 artists and 120 sculptures are Max Beckmann, Emil Nolde, Wilhelm Lehmbruck and Ernst Barlach. Ends June 17.

Mark Rothko (National Gallery): 86 works on paper by a leading contemporary American artist begin a national tour with this exhibit in the East Building. The highlights are vivid watercolours from 1968 and 1969, a period when Rothko's canvases were already tinged with the sombre browns, blacks and greys that anticipated his suicide in 1970. Ends August 5.

WEST GERMANY

Cologne, Wallraf-Richartz-Museum, An der Rechtschule: Fifteen paintings by six Dutch masters of the Utrecht school of painting dating from the 17th century, on loan from the Utrecht Zentralmuseum. Ends May 20.

Essen, Villa Huegel: the former residence of the Krupp family, now an arts centre, presents treasures from Peru – among them more than 500 priceless exhibits never shown before outside the country. The 800 artefacts, from 2,000 BC, beautifully document Peru's cultural development. Ends June 30.

Düsseldorf, Kunstverein, 4 Grabbeplatz: Milan Kunc, the young Prague artist now living in Düsseldorf, is showing his imaginative, colourful canvas narratives – based on trivial, sometimes even syrupy motives. Ends May 27.

Stuttgart, Staatsgalerie: 500 graphical masterpieces from the 15th century to date are shown here on the occasion of the opening of the new house. Ends June 10.

Berlin, Nationalgalerie, 50 Potsdamer Strasse: The first exhibition in the Federal Republic dedicated exclusively to Edgar Degas (1834-1917), with 210 pastels, oil sketches and drawings. Ends May 20.

Mainz, Mittelrheinisches Landesmuseum, 49-51 Grosse Bleichen: Exhibits from a German private collection give a clear idea of the German equivalent of art nouveau. On show are more than 350 pieces – among them furniture, ceramics, glasses and pewter from the turn of the century. Ends June 3.

Munich, Villa Stuck, 60 Prinzregentenstrasse: 162 water colours and drawings from the legacy of Johannes Itten, the Swiss painter and Bauhaus teacher. Ends May 27.

Tübingen, Kunsthalle, 76 Philosophenweg: The last venue of the roving exhibition with 100 drawings, water colours and gouaches from between 1910 and 1955 by by Fernand Leger. Ends June 3.

Hamburg, Helms-Museum, 2 Museumplatz: Ancient Sardinia has 90 bronze statues, ceramics, weapons, equipment and jewellery from 4,000 BC to 500 BC. Ends July 1.

Düsseldorf, Kunstmuseum, 50 Pempelforter Strasse: Otto Dix, Otto Pankok and Gert Wollheim – painters banned under the Nazi regime – have an exhibition here comprising fifty drawings and graphics from the 1920s. Ends May 18.

Munich, Kunstverein, 4 Galeriestrasse: Metropolitan Symphony (Weltstadsinfonie) has 150 works by fifty artists illustrating the development of Berlin realism between 1900 and 1950. Ends May 27.

BRUSSELS

Treasures for the Table: Gold and silverware, porcelain and glass from Vienna, Paris and Brussels, including part of the solid gold service made for the Empress Maria Theresa and Louis XV's Sèvres service offered to her to commemorate the Franco-Austrian alliance. Credit Communal Passage 44 until June.

Art and Sport: 300 paintings, sculptures, drawing and photographs including Toulouse-Lautrec, Picasso, Magritte, Leger, Delaunay, Hockney. Palais des Beaux Arts. Ends June 3.

ITALY

Milan: Galleria Deambrogi; paintings by the talented young Sicilian, Aldo Runfola, showing influences of Pollock and Kandinsky and a marvellous use of colour reminiscent of late Monet. Ends May 15.

Milan Palazzo Reale: Milan's new gallery of Modern Art opened at the beginning of the month. It offers a useful overall picture of Italian art this century.

Rome: Museo Pigorini: "The First Inhabitants of Europe," an exhibition from the Musée de l'Homme in Paris tracing the history of modern European Man from the earliest fossils proving the existence of "homo erectus". Until July 15.

Milan: Palazzo Della Permanente: the 29th Milan art biennial: 320 examples of painting and sculpture by contemporary artists. Ends May 20.

Rome: Casino dell'Aurora: A curious exhibition of instruments of torture dating from the Middle Ages until the beginning of the last century. Worth a visit more for the site (especially the fresco by Guido Reni from which the "Casino" takes its name) than for the contents. Until May 31.

Rome: Accademia di Francia (Villa Medici): In 1884 Claude Debussy won the coveted Prix de Rome, which allowed artists and musicians to study in Rome for two years. He said ungratefully: "Rome is a really ugly city, full of marble, fleas and boredom". He described his room in the entrancing Villa Medici as an "etruscan tomb". The city, forgivingly, celebrates the centenary of his stay with an exhibition, Debussy and Symbolism. His symphonic poem, La Mer, was composed while staying at Fiumicino near Rome. Ends June 3.

Venice: Palazzo Fortuny: Hollywood Photographers 1921-1941: More than 100 photographs, not all flattering, of well-known actors and actresses. Ends June 24.

Milan: La Rotonda. Delightful exhibition of over 1,500 toys dating from 1750 to 1980. Until June.

VIENNA

Out Of Steppe and Oasis: A colourful exhibition of treasures from the high desert plateaus of Turkestan, the heartland of Central Asia, stretching from China to the Caspian Sea, many brought back by 19th-century Viennese travellers. A display of artistic skill applied to household articles and clothing, carpets, saddlebags and especially jewelry, that a nomadic people could carry with them on their camels. Museum of Ethnology (Völkerkundemuseum).

Albertina – Collection f Graphic Arts: Some 300 watercolours of the Austrian artist Rudolf von Alt are exhibited, covering a prolific and long career from the 1830s to the early 20th century. His subject matter throughout is mainly Vienna's handsome streets and buildings, caught in many moods and seasons, with and exactness of architectural detail. There are also some sumptuous interiors and delicate mountain scenes of the Salzkammergut region. Alt's paintings give a sympathetic, even loving, record of Austria during its period of imperial greatness, with a refreshing lightness of touch and sometimes an almost impressionist use of colour and light.

NETHERLANDS

Hans Koper: An exhibition of the ceramics of this Dutch artist and craftsman, who died in 1981, can be seen at the Museum Boymans van Beuningen, Rotterdam, until May 20. Koper was well known in England, and the display is arranged in co-operation with the British Council and the Sainsbury Centre for the Visual Arts in Norwich.

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Thursday May 10 1984

Russia turns inwards

THE POSTPONEMENT by Moscow of a planned visit to Peking by Mr Ivan Archipov, a first deputy premier, coincides with a similar Soviet decision not to participate in the summer Olympics in Los Angeles. Both apparently unconnected moves follow the Soviet walkout from the intermediate nuclear force (INF) talks in Geneva last November and the subsequent refusal to fix a date for resumption of the strategic arms reduction (Start) talks. At the same time the Soviet Union has begun a fresh and more determined campaign against Afghan insurgents in the Panshir valley in the face of widespread opposition to Soviet actions not only in the West but also in many neutral and non-aligned countries.

Taken together this collection of actions by the Soviet authorities apears to indicate a growing tendency for Moscow to try and isolate itself from what it appears to see as an increasingly threatening and critical outside world.

Bitterness

Recent visitors to Moscow, including Mr Mauno Koivisto, the Finnish President, and Mr Giulio Andreotti, the Italian Foreign Minister, have remarked on the depth and bitterness of anti-American feeling now prevailing in the Kremlin, and the intense frustration at the failure of the Soviet campaign to prevent the deployment of cruise and Pershing missiles in Western Europe. Soviet leaders appear to have been convinced by their own propaganda and perplexed at the failure of the West Europeans in particular to understand their claims for a monopoly of intermediate range missiles and their fear of the U.S. equivalents.

So far the Kremlin does not appear to have come to any decision as to what it should do next, an indeciseveness made perhaps more understandable by the intervening death of Mr Yuri Andropov and the emergence of a new leader flanked by increasingly powerful younger men with limited experience in international affairs. This is perhaps the fundamental reason why the decisions which have attracted attention in recent months have been negative decisions.

In Mr Arehipov's case the postponement of what would have been the highest ranking visit in 20 years can be best explained by fears that now is not the right time, so close behind the visit by President Reagan and when China is angered by Soviet support for Vietnam in the new border conflict between the two countries.

Chinese leaders after all did not limit their criticism of U.S. policies to Taiwan but told President Reagan to his face of their doubts about the wisdom of U.S. policy in the Middle East and central America. They made it quite clear, even to the extent of censoring the President himself, that they were not prepared to be used as a "card" by either side in the U.S.-Soviet global rivalry.

While Moscow was doubtless relieved at the latter part of the Chinese leaders' performance the Russians do not appear to be in the mood to suffer similar criticism from China about their own policies towards Vietnam and Afghanistan, or face repeated Chinese complaints about Soviet military forces on the Sino-Soviet border and the SS-20 missiles targeted on Asia.

The Olympic walkout may be less weighty than the withdrawal from the Geneva talks or postponement of the China visit. But it is likely to have a much greater negative effect on the Soviet image amongst ordinary people and sports enthusiasts around the globe—including those at home in the Soviet Union and its Warsaw Pact allies.

Confidence

Once again the move appears to have been motivated mainly by fear. The refusal by senior security officials and their political masters to risk defections from the Soviet and other East European teams may well have been an important element in the decision.

It is a sad commentary on the Soviet Union that it has so little apparent confidence in itself and its citizens. But that is apparently the case. It will not be good for the Soviet Union or the rest of the world if the tendency to move back towards a kind of 'Fortress Russia' mentality continues. For the West the only suitable response to these developments is to continue the attempt, however unrewarding it may seem, to re-establish and maintain a constructive dialogue with the Soviet Union.

Public sector pay pressures

YESTERDAY'S empty classrooms, the result of a one-day strike by the National Union of Teachers, are as good an illustration as any of the pressures now facing the Government's public sector pay policy. Although the Government made a surprisingly good start to this pay round—the power and gas workers (groups with undisputed muscle) settled for 5.2 and 4.6 per cent with hardly a murmur, and local authority manuals accepted 4.5 per cent—obduracy now seems to be spreading.

Teachers in England and Wales have rejected a 4.5 per cent offer partly out of disgust at being initially offered only 3 per cent when their Scottish colleagues had already secured 4.5 per cent. The Civil Service unions have rejected 3.7 per cent and the miners, although more worried by the threat of pit closures, have rejected 5.2 per cent. Railway workers are today finalising a planned programme of disruption over their 4 per cent productivity-linked offer. More trouble may be in store from Post Office workers, various health service groups and local authority white-collar staff, whose pay claims are due to be settled in June.

Inflationary threat

It is far too early to predict a summer of discontent; much will depend on developments in the miners' dispute. But the Government is seeing the return of the comparability wrangles that Professor Hugh Clegg, who headed the most recent Labour government's pay commission, gloomily foretold four years ago. Whitehall is piled high with reports from pay review bodies — for the armed forces, for doctors and dentists, for top salaried staff (including senior civil servants and judges). Most significantly, it will shortly have to pay the price of committing itself to a pay review body for the nurses as a way of ending the 1982 NHS strike. There is also last month's embarrassing report on Civil Service pay from the Office for Manpower Economics gathering dust.

The discontent reflects the intractable nature of public sector pay issues: there are inevitably conflicting pressures at play. All governments are keen to encourage moderate pay settlements throughout the economy—the more so when, as now, there is some threat of renewed inflationary pressures.

While sensibly eschewing the rigidities of any sort of national incomes policy, this Government is aware that, as the country's biggest employer, its pay awards have some influence, however nebulous, on settlements at large. Moreover, pay is such a big fraction of public expenditure that, if pay bill cash limits cannot be made to stick, a large hole will inevitably be blown in the Government's spending plans.

Such sound considerations, though, could tend to push the Government into a trap, that of using public sector pay as an instrument to bring down the level of settlements in the private sector. The Government could have done more to emphasise that, within the cash limits system, more pay means fewer jobs.

Performance

In practice there is no magic formula which will "solve" the Government's public sector pay problem; it is a more a question of muddling through. Some groups, because of union monopoly power and the nature of the industry concerned, have industrial muscle, and will continue to cause trouble until the structure of the industry is changed. Other groups, like the police and the firemen under the present Government, tend to be regarded for political and other reasons as special cases; above-average settlements in these cases, while ostensibly justified on supply-and-demand grounds, set a benchmark which less favoured groups will seek to emulate.

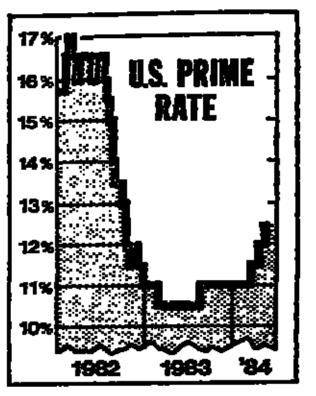
The Government could introduce with vigour throughout the public sector what Sir Keith Joseph has only talked about for teachers: a much closer link between pay and performance. It may be right to try to impose an average pay award of 4.5 per cent for teachers this year; it is much less obvious that top rates of pay should be so constrained—although the profession is never short of applicants, is it attracting enough highfliers? Throughout the public sector, a policy of creating incentives, widening differentials and heeding market forces should help erode the rigid "comparability or else" mentality that has done so much harm in the past.

The international debt crisis

The pressures mount for a new initiative

Stewart Fleming reports from Washington on the major policy issues facing Western Governments, banks and the IMF

Jacques de Larosiere, IMF managing director: a message for bankers in New York



Brazilians demonstrating against the IMF held aloft a coffin for the fund

THE STRATEGY which the leading industrial countries have adopted since 1982 to try to contain the Third World debt crisis cannot be relied upon to work in the face of rapidly rising interest rates and the signs of a growing reluctance among major borrowers such as Argentina to accept economic stagnation as the price of new finance.

This is the warning which has been sounded over the past few days by some leading U.S. policymakers including Mr Martin Feldstein, the retiring chairman of President Reagan's Council of Economic Advisers, and Mr Paul Volcker, the chairman of the Federal Reserve Board.

In a striking admission of the risks inherent in the "crisis management" approach to the $700bn debt problem, Mr Volcker has warned that rapidly rising interest rates pose "the biggest single threat" to the resolution of the debt problem.

Tuesday's decision by leading U.S. commercial banks to increase their prime lending rates to 12½ per cent, a move which will add several hundred million dollars to the interest rate bill of debt-ridden nations, starkly underlined the dangers which Mr Volcker was pointing to.

An equally striking vote of no confidence in the current strategy came on Tuesday from Mr Feldstein. "The time has come," he said, "to shift from crisis management to a policy of promoting Latin American growth."

Once again Mr Feldstein appears to be running the risk of crossing swords with the Treasury, the agency which has been leading the formulation of Reagan Administration policy on the debt problem. Treasury officials are still emphasising their adherence to the post-1982 strategy with its emphasis on economic adjustment in the Third World.

Even as Mr Feldstein was speaking, some of the world's top commercial and central bankers were closeted in the Federal Reserve Bank of New York going through an agenda of potential new initiatives aimed at containing what some fear is a new and ominous phase in the continuing debt saga.

Although the talks were going on behind closed doors, the agenda made it clear that under discussion were some potentially explosive initiatives which could change the balance of power between borrowers and lenders; change the role of the International Monetary Fund and the World Bank; and force bankers to look again at the value of their assets in countries like Argentina and Brazil as a result of pressure on them to cap interest rates and extend the maturity of rescheduling agreements.

Suggestions that a different approach to the debt crisis is needed are not new. Last year, as the scale of the debt problem and the threat it posed to the world economy became better understood, bankers and economists were recommending ambitious global debt relief schemes to ease the Third World's burden. Such schemes have not found broad support.

Now, however, as interest rates in the U.S. have moved higher and powerful borrowers such as Argentina have begun to baulk at the prospect of an IMF-imposed dose of economic austerity, a growing number of officials and bankers have begun to accept that some changes are needed.

Paradoxically, the restiveness among the debtors has increased even as some of them are seeing the prospect of a modest economic upturn on the back of the industrial world's economic growth.

But as the President of the New York Federal Reserve Bank, Mr Anthony Solomon, told a Congressional committee last week, these trends will not be enough to resolve the debtors' problems. As a former top official in the Reagan Administration involved in the debt question remarked recently: "Acute crises usually occur when things begin to get better."

'Someone will have to cough up the resources'

Officials examining the options for a new approach to the debt crisis will face some major policy decisions, chief among which is who is going to pay. As one senior official in Washington put it: "The real question is whether IMF conditionality as applied now is conducive to economic recovery in heavily indebted countries. If not, you have to shift the balance more in the direction of finance and less economic adjustment. That raises the question of where the finances are to come from," he added. "Someone will have to cough up the resources."

Finances aside, one of the most important questions is the role the IMF should play in a move away from the present "short leash" approach to the debtor countries. The conditions the IMF attaches to its relatively short-term (up to three-year) financial packages for debtor countries are one of the foundations on which the current approach to the debt crisis is based.

The industrial countries have followed a deliberate strategy of keeping IMF conditions tight in order to maximise the pressure on the borrowers to put their domestic and international finances in order. This has been partly to reassure the bankers who have been holding the bulk of the debt.

Now, however, plans are under consideration for debt rescheduling agreements to be changed to cover more than the currently normal one year, and for loan maturities to be stretched out for 10 years or longer. A critical issue in such circumstances is how the IMF could retain an effective influence over countries' economic adjustment policies, maintain its credibility and therefore the value of its "seal of approval" on debtor adjustment programmes.

Such issues are not only of importance to the bankers, but also to the IMF itself, for they touch on its role in world financial markets. Officials are well aware, however, that the IMF cannot afford merely to watch as new initiatives are developed, for to do so would run the risk of being left on the sidelines. That in itself might be dangerous, especially given the fund's central role in the crisis management phase of the past two years.

In New York this week Mr de Larosiere was addressing some of these questions at the bankers' meeting.

A no less controversial issue coming to the fore is the role of what one banker referred to as the IMF's "forgotton sister," the World Bank.

The Bank has laboured under the hostility of the Reagan Administration for the past three years, but IMF officials have been making it clear that after years of rivalry between the two institutions, they too are anxious to see the Bank playing a bigger role in the debt crisis. This is because of its experience in devising longer-term economic development programmes in the Third World. Indeed, there has been a little noticed flowering of co-operation between the two institutions in the past couple of years, with closer co-ordination of the terms of some of their lending.

It is, above all, the commercial banks with their immense loans to Third World borrowers, which are coming under the heaviest pressure to face up to reality and give their creditors easier terms. Mr Solomon last week urged the banks to consider putting a limit on how far interest rates could move up above current levels, so that unexpected increases would not undermine the carefully crafted economic adjustment programmes the borrowers have worked out with the IMF and the Bankers.

Caps on interest rates are not uncommon on U.S. commercial loans.

However, bankers say that to cap Third World borrowings—where this was not part of the original agreements — would mean classifying the loans as "non-performing" under U.S. regulations because of changes in the original terms. This might force the banks to keep some of the loan income off their profit and loss account, which they are anxious to avoid.

Stresses of crisis management taking their toll

However, it is thought the pill could be sweetened by changes in regulations. The difficulties and tensions created by the varying accounting and regulatory requirements is another issue being examined more closely as the bankers and officials focus on the long haul ahead.

When the debt crisis first broke, there were hopes that it might be resolved quickly. It is the final acceptance that it could rumble on, at least in some important countries, till at least the end of the decade, which is leading to pressure for a change of approach.

The risks that interest rates will rise, that growth in the industrial world will peter out, that protectionism will spread or that banks will tire of their commitments, are all the greater as the time horizon extends.

The IMF has warned this week that U.S. economic policies "constitute a potential threat to smooth and sustained global economic growth." Mr Feldstein has stressed that the sustained world wide economic recovery which is a vital component of the current strategy, "will be irrelevant to the debtor nations" if protectionism spreads. He has also expressed concern that the attempts to avoid damaging the prospects of Third World debtors could inhibit the conduct of U.S. domestic monetary policy. Mr Volcker has warned about rising interest rates. It is small wonder there are fears about how long the current strategy can survive.

But there are other less visible forces which are pushing the major players in the debt negotiations to re-think the current approach.

One is the realisation that it is in danger of becoming a recipe for "brinkmanship" which may tend to strengthen the hand of the debtors, keep the "crisis" on the front pages and help to depress the share prices of the U.S. banks. Bank analysts suggest the latter point is of growing significance given the competitive challenges (and opportunities) the banks face as financial de-regulation proceeds.

A related point is that continuing crises, even when they affect only a few countries, will help to undermine confidence more generally. Some fear that it could be years before voluntary lending to the debtors is resumed, although bankers are divided on the issue.

"The one element that is missing is the market," says one New York bank economist, adding, "there are some collateralised deals going on but virtually no voluntary lending."

The stresses of crisis management are also beginning to take their toll on the small number of individuals involved, one official in Washington suggests. "We are reaching the end of the road for jumbo financing packages. Look at the number of times the Mexican package was postponed," he points out. "Fatigue" is setting in, he says, making the annual rescheduling approach more and more difficult.

A deeper problem, he suggests, is that governments are becoming increasingly unwilling to subsidise each others political clients and this makes a concerted approach more difficult. U.S. bankers, too, sense a growing frustration in Europe with the most threatening of the regional problems, the Latin American debt situation, a frustration they ascribe to the fact that Latin America is of less financial and political significance to Europeans.

Some officials suggest that it will nevertheless take a new upheaval in the financial markets to force fundamental changes through and suggest that that upheaval could be brewing in the shape of Argentina's negotiations for a new IMF facility.

Men and Matters

Feldstein in mellow mood

Sitting in his roomy office in Washington yesterday surrounded by cartoons from the bad old days (when he was virtually engaged in civil war with the White House) Marty Feldstein was in mellow mood.

The retiring chairman of President Reagan's council of economic advisers looked anything but the harassed outsider who has been treated with public disdain by insiders such as Reagan's spokesman, Larry Speakes.

Feldstein quickly became known as Dr Gloom on his arrival in Washington two years ago because of his pessimistic economic forecasts. Yet he has retained the imperturbability and objectivity about his role in the capital which has helped him put across some unpopular views.

No, he says, he does not leave with any feelings of bitterness. And he would strongly recommend any economist who might be offered the job he is leaving to accept it quickly.

As to his chief impressions of top-level policy-making on the banks of the Potomac. "What surprised me most at the beginning was how few people are involved in economic policy discussions and how terribly centralised economic policy-making is."

He says that issues which he had previously assumed would be decided in the agriculture or energy departments, for example, "Come right into the White House for decision."

"I'd defect and run for Britain if I could find a newspaper to sponsor me"

Arts in big print

The Arts Council is to have a new image. Or rather it is to acquire an image for the first time.

Since his arrival last summer as secretary general, Luke Rittner has been keen to shatter the council's elitist reputation. And he believes a corporate design will help get across to the public what it is the council actually does.

Rittner is impressed by Ken Livingstone's visual lobbying for the GLC and its "Working for London" campaign. As well as all the obvious corporate identity trappings on letter headings and the like, he intends to make the council better known.

At the moment its 250-odd clients, ranging from the Royal Opera House to the Red Letter Theatre Company, usually tuck away an acknowledgment of council cash in the small print on their programmes.

In future the council's contribution to keeping arts organisations in business will be more strikingly advertised, as will the fact that it actually operates the Hayward and Serpentine art galleries and the Wigmore Hall.

Six designers have presented ideas and the Jenkins Group has won the contract, "a four figure deal and it should pay for itself through better stock control."

Nick Jenkins has a long history of artistic design, working for the Bath, Brighton and City of London festivals as well as on theatre posters.

He hopes to be implementing the first fruits of his imagination by June although there are problems, "No obvious colour has yet occurred to me for the Arts Council."

But then Jenkins has had problems with the council before. A few years ago he started the Overground Theatre in Kingston, Surrey. It flourished and he got an Arts Council grant, later withdrawn in an axe-wielding exercise. The theatre closed.

Past the prime

Amid all the fuss about the latest prime rate increase by the major U.S. banks, BankAmerica, the west coast banking group, sneaked in a small but significant change.

BankAmerica, the second largest banking group in the U.S., will no longer be using the term "prime rate." Instead it will in future use "reference rate."

While BankAmerica's move may appear purely semantic it does, in fact, represent an attempt to bring banking terminology up to date and, in the process, clear up a fundamental misunderstanding among corporate borrowers and others.

"This change was made to eliminate possible confusion that some people may have over the meaning of prime rate," the bank explains.

The days when the prime rate was indeed the rate that banks charged to their best corporate borrowers are long past. Competition means that the giants of corporate America can usually borrow at rates significantly lower than prime, while lesser corporate customers—and Joe Soap in Main Street—pay considerably over the odds. For example, an unsecured personal loan at BankAmerica branches cost 21 per cent last week when the prime was 12 per cent.

"No one borrows at prime any more," says one New York banker. Instead, prime, like base rate in Britain, has been relegated to a benchmark rate against which other rates are measured.

But while BankAmerica's bold move may start a trend it is unlikely to signal any major change in public or political sentiment about the banks—particularly in an election year.

Board shuffle

Reuters' plans for a public flotation very shortly have prompted a spring-cleaning of the manifold activities of the worldwide news and information organisation.

Among other novelties we are being promised a Reuters news pictures service, to start early next year.

Some hard training will be needed for that venture, I feel.

Yesterday when Reuters sent me details and photographs of three new board appointments ("leading international businessmen") it managed to caption Walter B. Wriston, chairman of Citicorp, as "Christopher Hogg, chairman of Courtaulds"—and to repay the compliment by calling Hogg, "Wriston." Vigilance won the day, however, and a correction arrived later.

Meanwhile, Pehr Gyllenhammar, chairman of Volvo, and the third new Reuter director, emerged from the photo-call unscathed as his own self.

Extended cover

"The most interesting 10 years of your life could start now," promises Northern Rock building society in a circular addressed to "R. M. de Berenguer, Deceased," and sent to the administrator of the estate.

Observer

ECONOMIC VIEWPOINT: BRITAIN'S RECOVERY

No 'Barber boom' this time

By Samuel Brittan

THOSE OF us who realised on March 13 that the British Budget was much more expansionary than it looked have not been surprised to see the debate that has developed between those who think the economy has received too much stimulus and those whose motto now should be "Steady as she goes."

But before going on to the substance of this debate, it is first necessary to ask: How free are the Treasury and Bank of England to adjust, or not to adjust, policy, and how far is their freedom of manoeuvre pre-empted by the rise in U.S. interest rates?

The brief answer rests on a distinction between real and nominal interest rates. The world's capital markets are interrelated. In so far as the U.S. budget deficits and fears of future Budget deficits are making increasing demands on world savings, the real interest effects cannot be confined to the U.S. The upward drift of yields on index-linked British government bonds may be a sign of this world-wide movement.

To the extent, however, that the rise in U.S. interest rates is a nominal one, reflecting inflationary fears, other countries are free not to follow it. Nominal interest rates can and do diverge widely among different countries. Swiss franc rates in the Euro market are for instance about $7\frac{1}{2}$ per cent below U.S. ones, and British rates are about 2 per cent lower.

If central banks are to "decouple" their nominal interest rates from the U.S. they must be prepared to downgrade the exchange rate against the dollar in formulating policy and pay most attention to the trade-weighted average. This is easier said than done in financial markets, where the misleading habit of quoting the exchange rate for sterling or any other currency in terms of the dollar rather than the currency traded is still prevalent.

So having established that British policymakers and markets are not mere ciphers of New York, one can again ask: is there a case for applying the monetary brake in the UK? Are the latest interest rate increases justified on domestic grounds; or should the Bank take the earliest opportunity to lever interbank rate downwards or at least use its influence to prevent them going higher?

Clearly those commentators who would like to see zero inflation and a balanced Budget in short order are going to regard recent British fiscal and monetary policy as too expansionary. But this is to judge policy by a standard which they themselves have invented. The Government's own aim has been much more gradualist—and the great bulk of the political and academic criticism it received until very recently was that it was giving too much rather than too little emphasis to fighting inflation at the expense of short-term growth.

Is there then too much steam in the economy judged by the intentions of the Government's own medium-term strategy rather than by some puritanical standard of what it should be?

The "overheating" school pays most attention to a few financial variables such as bank lending, consumer credit, mortgages and house prices. Its opponents emphasise physical indicators such as the continued rise in unemployment, the high level of reported surplus capacity and the possibilities of an above-level growth rate after a period of severe recession.

The existence of "overheating" in the U.S. economy is still controversial after four quarters averaging 7 per cent per annum real growth. Can there then be really "overheating" in the UK with 3 per cent growth after a shakeout of surplus labour and a large boost to productivity?

The first table summarises the monetary evidence. It starts with the narrow measure of money—notes and coin and bank deposits at the Bank of England (Mo) and moves to broader and broader definitions until it reaches the broadest measure of liquidity, including most savings and building society deposits, calculated by the Bank of England namely PSL2. Measures known to be highly distorted and misleading are omitted from the table.

It is, of course, absurd to gauge monetary policy from very short-term movements; and the two months period is inserted only because the present targets run from last February. Three months is the shortest period worth even looking at; and six months to a year is the minimum period for sensible assessment. On any basis from three months to one year, monetary growth is well within the chosen ranges of 4 to 8 per cent and 6 to 10 per cent for the two targeted aggregates Mo and Sterling M3.

MONETARY GROWTH TO MID-APRIL

Estimates. Seasonally adjusted. Percentage per annum increase.

	1 month	2 months	3 months	6 months	1 year
Mo	0	$3\frac{1}{2}$	$2\frac{3}{4}$	4	$4\frac{3}{4}$
Adjusted M2*	n.a.	n.a.	n.a.	n.a.	$7\frac{3}{4}$
Sterling M3	6	11	$7\frac{1}{2}$	$7\frac{3}{4}$	$8\frac{1}{4}$
PSL2	12	17	$15\frac{3}{4}$	13	$11\frac{1}{4}$
Bank Lending	17	17	16	17	16

Official target ranges for 14 months from February are 4 to 8 *per cent for Mo and 6 to 10 per cent for Sterling M3.*

* Adjusted for change in coverage.

Source: W. Greenwell and Co.

Some of those who are worried about inflation prefer to look at bank lending. But in itself this is misleading. It is only one part of the assets side of the banking system, or to put it another way, it is one component of demand. If total demand is not growing excessively, why concentrate on this particular component? Indeed the reduction in the Public Sector Borrowing Requirement (PSBR) makes room for more bank lending than would otherwise be possible within the Government's financial strategy. Similar remarks apply to those who are worried about the growth of consumer credit.

Again the growth of mortgage lending is only one aspect of the wider economy. During the so-called "Barber Boom" of 1972-73, when inflationary expectations were rampant, and people rushed to acquire real assets, a level of mortgage expansion roughly equivalent to today's drove house prices up by over 50 per cent per annum. After a similar expansion of mortgage lending in the late 1970s, house prices rose by nearly 25 per cent. The rise in house prices in this cycle may go above the recent level of 14 per cent, but still remain below the last peak.

A more serious worry relates to the increase in building society deposits which is the counterpart of the rise in mortgages, and explains a large part of the rapid rise in the PSL2 measure of liquidity. If people regard such deposits as "money" and decide to keep them in a stable relation to *income, then they might at* some future date increase their expenditure or purchase other assets, thus starting a chain reaction, which would increase demand by undesirable amounts.

This possibility is still pure conjecture. Nevertheless, the fact that almost all the non-targeted measures of money and credit are rising a good deal more than the targeted ones should at least switch on the amber light.

There is still, however, little direct evidence of inflationary pressures outside the housing market. The acceleration in manufacturing earnings is more worrying as a waste of potential employment gains than as an inflationary symptom. Labour productivity in manufacturing has been rising at over 6 per cent per annum and in the whole economy by nearly 3 per cent. Moreover, high private sector settlements are being offset by lower public sector ones — a normal business cycle phenomenon for all the sound and fury. Sterling remains very firm against the non-dollar currencies. *It* has slipped by barely a point or two since the Budget on the trade-weighted average, and is actually higher against the D-mark.

The slight spurt in raw material price increases reflects the fact that they are denominated in dollars — but not in the long run in dollar markets.

The continuing improvement in labour productivity, plus the evidence of a reservoir of labour outside the unemployment register, which has added to employment without denting the jobless figures, all add to the reasons why the economy can stand a somewhat faster increase in demand and nominal GDP than the 8 per cent for 1984-85 projected at Budget time, without stimulating inflation.

But however much we *hope* that the economy can take a faster growth rate, or that unemployment is above that rate (known as the NAIRU) consistent with non-accelerating inflation, hope or conjecture is an insufficient basis for policy. After all, the ill-fated Heath dash for growth started from the thought that 800,000 unemployed (with more at the winter peak) left plenty of room for non-inflationary growth, and indeed the total was strikingly high by the standards of the time. A safety-catch is needed.

To leave adequate room for growth without financing an inflationary breakout, it is necessary to look at the underlying thinking behind the monetary targets, illustrated in the medium-term projections table.

If what has been said of productivity and labour reserves is valid, there may be scope for shading upwards the 8 per cent Nominal GDP growth rate projected by the Treasury for 1984-85 and accepting a range of, say, 8 to 10 per cent. Then if the optimists are wrong about the *physical* characteristics of the economy, the worst that could happen would be a couple of per cent extra on the inflation rate—not a return to double digit rates or to anything which could not be corrected in time.

If I were the Chancellor, I would look at forecasts for Nominal GDP derived both from conventional forecasts of real output, with inflation superimposed, and from more monetarist forecasts in which devotees of different aggregates would forecast Nominal GDP directly. The great advantage of the Nominal GDP concept, which I seem unable to communicate to No 11, is that it uses and does not throw away all available information.

To monitor such forecasts against performance we obviously need spot indicators of where we are now. These will vary with time and place. For the UK at present the one on which I would put most emphasis is the trade-weighted exchange rate.

Obviously such an indicator would be no use for the *international management of* nominal demand by the Summit powers, which we still eventually have to establish. Nor would it be a good guide if the inflation rate in Britain's main trading partners started to accelerate. But here and now, some reassurance on the inflation front can be obtained so long as any sterling depreciation against the currency basket is slow and gradual. If that were no longer so, it really would be time to reach for the monetary brakes. But so far, the evidence suggests no more than a very faint case for the base rate increase this week and a very strong case against going any higher.

TREASURY MEDIUM-TERM PROJECTIONS

	Percentage change 1984-85	1985-86	1986-87	1987-88	1988-89
(a) Real GDP	3	$2\frac{1}{2}$	2	2	2
(b) (excluding N. Sea)	3	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$
(c) Inflation Rate*	$4\frac{1}{2}$	$4\frac{1}{4}$	4	$3\frac{1}{2}$	3
(d) Nominal GDP	8	$6\frac{3}{4}$	6	$5\frac{1}{2}$	5

Row (d) is approximately equal to Row (a) + Row (c). Discrepancies reflect rounding and compounding of percentages.

* Measured by GDP deflator.

Source: Treasury.

Lombard

How the banks can create time

By Peter Montagnon

YESTERDAY'S SPEECH to bankers in London by Herr Karl Otto Poehl, President of the German Bundesbank, had a double barb for those with funds tied up in loans to Latin America.

The process of muddling through the debt crisis had to come to an end, he argued. Fresh ideas as well as fresh money were needed to solve the problem. But he also made it clear there is little prospect of extra fresh money coming from official sources such as the International Monetary Fund.

In short, Herr Poehl reminded his listeners that it was very much up to the banks to come up with fresh ideas and fresh money to deal with the longer term aspects of the problem. As the evidence grows that many banks are increasingly weary of the ad hoc approach of coupling rescheduling with fresh money loans, thinking on the debt crisis simply has to become more imaginative — and even, dare one say it of bankers, more radical.

In all this, however, it must be borne in mind that two separate aspects of the problem are often confused. To service their debts, developing countries have first to pay interest on a daily basis and second to repay the debt or refinance it on maturity. A glance at the figures for one of the largest borrowers, Mexico, shows what a gargantuan *task this is. This* year Mexico has to find \$11.5bn to pay interest on its foreign debt — a figure which is likely to increase rather than diminish as the years go by. In the four years between 1985 and 1988 it also has to find \$41.5bn to repay maturing public sector debt.

By borrowing to solve the first problem — that of paying interest — Mexico is only adding to the second, that of repaying debt as it falls due. The longer the repayment problem can be deferred the better.

One pressing need is therefore to find a way of spreading debt repayments over the space of decades rather than a few years. But this is not easy when banks simply cannot raise 30 year deposits to fund a rescheduling of similar length. There might, however, be one way of getting round this problem by introducing the concept of deferred marketability into rescheduled loans.

By this process banks would agree to reschedule a country's debt for 30 years. For the first 10 years this would involve a conventional rescheduling except that part of the interest due might be "capitalised" or added to the rescheduled debt instead of being paid each year. After 10 years the debt would convert into a 20-year floating rate note which banks could sell if they wanted. If the debtor country was well on the way to recovery by then, there should be no trouble selling the debt in the marketplace. If not, it would fall to a steep discount and banks would face losses. But at least they would have had 10 years to make provisions for such losses in their balance sheets.

Debtors for their part would not have to worry about final repayment for 30 years, but they would have an incentive to adjust their economies before that. If they failed, their debt would fall to a discount when it became marketable, creditors would make losses and the borrowers' credit rating would again be seriously impaired.

It may well be that 10 years is not long enough to complete the economic adjustment process, but it *is* long enough for industrial country governments to ponder what else to do. If the climate did not improve, they could, for example, decide to buy some of the debt from private creditors at a discount after 10 years.

Such a decision is not one that governments can make overnight. This way, however, they would have 10 years to think about it—and that is a long time, even in the sedate parlours of the Bank of England and the Federal Reserve.

Voting rights and Reuters

From Mr I. Fraser.

Sir,—The opposition raised by some London investing institutions to the proposal to float Reuters on the basis of two classes of capital with differential voting rights is misplaced. It is time to help the British Insurance Association and the National Association of Pension Funds to see the issues in their proper light.

From my own service with Reuters from 1946 to 1956, I know that Reuters' worldwide presence is based on the integrity and independence of its news-gathering and news-dissemination operation. Without this worldwide presence and the intricate network of communications which goes with it, it would not have been able to establish or to maintain the economic services which are now largely responsible for its substantial and growing profit.

The proprietors and managers of Reuters are absolutely correct in their decision that this integrity and independence must be maintained by belt and braces. Throughout its history, Reuters has been intermittently threatened by the attempts of politically ambitious persons and governments to secure control of this unparalleled source of information with a view to subverting the information into propaganda for their own purposes. There is no lack around the world of such potential threats today.

The purpose of the belt-and-braces protection is not, I repeat not, to perpetuate the tenure of management. Reuters' management will still be able to be sacked at any time by the original newspaper publisher shareholders in the UK and Australasia. Nor is it designed to guarantee control to an ever diminishing and ever-less-involved family proprietorship. These two features accompany most differential voting systems, and the institutions are right to oppose them.

Reuters is quite different. The issue here is freedom of information and the temptation which a unique instrument such as Reuters would offer to those who would like to corrupt it. The incorruptibility of Reuters' news network is an inherent part of Reuters' success. It is in the direct economic interest of those who wish to share in this success that they should co-operate in putting the political temptation out of reach. This is a case where equity ownership can properly be divorced from control. The institutions should revise their views.

I. J. Fraser.
21, Moorfields, EC2.

Letters to the Editor

Abolishing the GLC

From the Leader, Greater London Council.

Sir,—Mr R. A. Price (April 30) shows muddled thinking on the Government's proposals to abolish Greater London Council. He starts by conceding that the GLC's arguments have "destroyed" the Government's case—then proceeds to postulate an alternative rationale for abolition.

What kind of logic or politics is it that first arrives at the conclusion, then casts around for arguments to justify it?

And how is greater London any more spurious a concept than Surrey or Hertfordshire? Each comprises a combination of towns, villages and local communities with their own interests. The only argument is where one draws the administrative boundaries for services which require a more regional approach.

To take just one example of what Mr Price quotes as the irrelevance of GLC, let us take London Transport. Before the intervention of the present GLC administration London Transport was on a downward spiral of escalating fares, service cuts and reducing passenger traffic. This has been reversed as a result of the GLC's policy of lower fares, Travelcards and a zonal fare structure. We now have substantially increased passenger mileage and increased revenue, coupled with an 8 per decrease in the number of cars into London.

"Super boroughs" would not be able to carry out this kind of strategic policy function, nor could a quango dominated by Government and commercial interests pledged to privatise the most profitable routes and cut services elsewhere.

Ken Livingstone.
County Hall, SE1.

The price of a banana

From Mr J. Francey

Sir,—I was saddened to see the look of incredulity and despair that showed on the face of an elderly woman the other day when she found that the banana she priced at a local shop was 30 pence. Obviously people who have to live on a fixed income can find no way to meet such charges. The almost total exclusion of meat from the shopping list of most elderly people, many of whom find their staff pension unable to meet the standing charges for their habitation alone and who have to draw on capital for food and clothing, is a disgrace to all concerned with the running of this country.

John B. Francey.
59 Aytoun Drive,
Erskine,
Renfrewshire.

Confidence in nuclear energy

From the President, Electrical Power Engineers' Association

Sir,—I am pleased that my remarks made at my association's annual conference attracted a response (April 27) from Mr Bolter, company secretary of British Nuclear Fuels (BNFL) and that he too shares our concern regarding the public's growing lack of confidence in nuclear power when it, the public, associates the incidents at Sellafield with the nuclear power stations operated by the Central Electricity Generating Board and the South of Scotland Electricity Board.

I am well aware as Mr Bolter points out that straight comparisons cannot be made between a reprocessing plant and a nuclear power station regarding the potential radiation dose rate which may be received by their workers. In fact, if the Financial Times had printed all my remarks, rather than a portion of them, he would have seen that I too made that very point.

The point that needs emphasising, however, is that those of us with an intimate knowledge of the nuclear industry are able to make considered judgments and can disassociate the events at Sellafield from the Board's nuclear power stations *and so maintain our confidence* in nuclear power.

Unfortunately the general public served via the media is not able to do so and quite naturally regards the incidents at Sellafield as typical of our industry.

It is simply not acceptable that the sea and beaches around Sellafield should carry unduly high radiation levels, safe in practice as they may be, and that they should keep being discovered to the surprise of Sellafield's management.

My association has long been a supporter of nuclear power, but those of us who believe that nuclear power has so much to offer this country, and indeed the world, in providing cheap electrical energy, have a duty to criticise constructively when *things go badly wrong as they* have at Sellafield and public confidence is jeopardised.

Stan Dean,
Station House,
Fox Lane North,
Chertsey, Surrey.

Privatisation of airports

From the Chief Executive, Manchester International Airport.

Sir,—I was interested to read your editorial of May 2 on a topic dear to my heart. I was concerned, however, at your conclusions regarding the form after privatisation of the British Airports Authority.

There is a fallacy common to much of the writing on the topic that BAA constitutes the British airport system. As you say policy decisions at one airport have a direct bearing on airports elsewhere, hence the policy affecting the London and Scottish Airports Authority, as BAA should be known, has a direct bearing on the operation of the remainder of the UK airports.

Currently there is an opportunity to ensure that the policies outlined in the 1978 Airports Policy White Paper are implemented. This paper outlined complementary roles for airports, however the imperfect competitive balance in both the airline and airports industry has not allowed the development of the roles outlined in the White Paper. In particular Manchester has been inhibited from fulfilling its gateway role by the discriminatory policies of the Department of Transport (formerly Trade) in the allocation of bilateral rights.

The present reviews by the Civil Aviation Authority and the transport committee of the House of Commons present the opportunity to redress this balance. In considering BAA, it is essential that the system benefits of retaining the south east trio of airports under common ownership are not overstressed the cross-subsidisation of Gatwick and Stanstead from Heathrow *profits exacerbates the* competitive imbalance with the rest of the UK.

As 40 per cent of UK originating international air trips originate outside the south-east, it is essential that the complementary nature of the system is resolved at a truly national scale.

Gil. W. Thompson,
Manchester International Airport, Manchester.

FINANCIAL TIMES

Thursday May 10 1984

BREAKING OUT OF THE DEVALUATION, REVALUATION MERRY-GO-ROUND

EMS achieves tranquility at last

BY PHILIP STEPHENS IN LONDON

THE EUROPEAN Monetary System (EMS) grabs the headlines only when it is in crisis: when a soaring D-Mark, a feeble French franc or a weak lira sends ministers scurrying to Brussels for a weekend of haggling over new parities. Now, as the world's financial markets stand mesmerised by the (usually good) fortunes of the dollar, the EMS seems on course to break its most important record by stealth.

It is 13 months since the eight currencies in the system were last realigned, and there is growing confidence among Europe's central bankers that any changes will be postponed until the autumn.

If they are right, it will mean that the eight EMS members have at last broken out of the merry-go-round of devaluations and revaluations which has marred the system for three years. The EMS's previous longest gap between parity changes of 16 months in 1980–81 may be bettered.

The central banks also hope that the next currency reshuffle will be modest and free from the disputes over relative competitiveness which characterised previous realignments.

Much of their *new-found* tranquillity can be ascribed to the strength of the dollar. A rising U.S. currency means a falling D-Mark, easing pressure on weaker EMS currencies.

The impact of a falling dollar was seen earlier this year when its brief retreat forced heavy intervention by the Belgian and French authorities to support their currencies. The ability of the central banks to beat off the speculators underlined a new internal stability in the system which has gone largely unremarked.

Like many financial success stories, it has its roots in acrimony: the fierce Franco-German battle in March 1983 which ended in the D-Mark being revalued by 5.5 per cent and the French franc devalued by 2.5 per cent.

The price Bonn exacted for the damage to its international competitiveness was a firm commitment by France to a further tightening of the austerity screw at home. Unlike most things in the European Community since then, the strategy has worked.

Mr Leonard Gleske, the West German Bundesbank director responsible for currency matters, believes that even if the dollar does move down again a hurried realignment can be avoided. "The underlying conditions are much better than a year ago... even if the dollar does fall, I would guess there would be only temporary tensions," he says.

The lesson of the past few months, he says, is that strains appear in the system when the U.S. currency is falling but tend to evaporate when it stabilises at a lower level.

Economic convergence, previously a catchphrase used by Brussels bureaucrats, has become a reality as the inflation differentials and balance of payments imbalances which have forced seven realignments in five years have significantly diminished.

The gap between the EMS nations with the highest and lowest inflation rates, Italy and the Netherlands, is forecast by the European Commission to narrow to 7.4 percentage points in 1984. Last year it was 11.8 percentage points.

The key price differential between France and West Germany is expected to fall to 3.9 percentage points in 1984, from 6.5 points last year, and the turnround in the balance of payments situation of the weaker countries has also been impressive.

Belgium is forecast to cut its current account deficit by two-thirds to 0.5 per cent of gross domestic product, while France's deficit should fall to 0.8 per cent of GDP from 1.7 per cent in 1983, the commission says. The current account positions of Italy, Denmark and Ireland are also likely to improve.

This convergence of trends in relative costs, prices and external positions has changed the focus of policy in the weaker EMS countries. Two years ago, most were concentrating on tackling large external deficits, but the key concern now is to reduce high budget deficits.

And while devaluation has at least short-term attractions for a country trying to get trade back into balance, the advantages for a government trying to cut its budget deficit are ambiguous.

"They regard their major problems as internal. They are still inflation-prone... so they want greater exchange rate stability," says Mr David Lomax, chief economist at National Westminster Bank.

Officials at the European Commission endorse the need for countries to accept the discipline imposed by stable exchange rates. Italy's real exchange rate, calculated on the basis of relative unit labour costs in EMS countries, continues to appreciate. But the commission believes that the government's problems with the budget deficit and incomes policy argue against devaluation.

Notwithstanding, most forecasters expect an EMS realignment this year, with a revaluation of the D-Mark and Dutch guilder, and devaluations of the French franc, lira and some of the smaller currencies.

Although the inflation differentials are smaller, they are still there and, while most of its EMS partners are struggling to cut their current account deficits, West Germany will be further increasing its surplus.

The French Government, which could not accept a devaluation ahead of next month's European elections, is likely to find by the autumn that its exports have lost the competitive edge conferred by the last realignment and can then be expected to push West Germany towards a revaluation of the D-Mark, while accepting a small downward shift in the franc.

Italy, Ireland and Denmark might also opt for small devaluations, while the Belgian Government seems set on maintaining its present exchange rate. But most forecasters are convinced that the overall move between the strongest and weakest currencies will be only 4 or 5 per cent. Governments are also concerned to make any changes with the minimum of fuss and without being pushed into it

Kohl claims progress with East Germany

BY RUPERT CORNWELL IN BONN

CHANCELLOR Helmut Kohl stressed yesterday that for all the warmer dealings between the two Germanies, Bonn was fully aware that it was dealing with a government in the East which was a Communist dictatorship caring little for human rights.

He told the national Congress of his ruling Christian Democrat (CDU) party, meeting in Stuttgart, that his Government had, above all, sought practical results from its relations with East Germany. "Concrete progress" had, moreover, been achieved on various fronts, he said.

The Chancellor accused the East Berlin leadership, however, of "distorting" German history to suit a Communist theory "which neither in the past nor now has been accepted by the citizens of East Germany in free elections."

The strictures of Herr Kohl against the East German regime, and his renewed criticism yesterday of Moscow for failing to respond to initiatives to improve East-West relations, seemed tailored not least to dispel fears in the West about a supposed drift of West Germany away from the Atlantic Alliance.

He reaffirmed the long-term goal of removing the division between the two halves of Germany. "We cannot accept this as the last word of history," the Chancellor said.

This target could only be reached within the framework of a genuinely united Europe, he said. For Bonn, German policy and European policy were two sides of the same coin.

Herr Kohl left no doubt as to his own country's commitment to European unity. The coming months would reveal whether the other members of the EEC were as unequivocally prepared to move towards what he called the "political union of Europe."

The Chancellor argued that the complicated balance of world politics, economic and environment problems as well as the military threat bearing upon continental Europe left little alternative to such a course.

Turning to domestic affairs, he laid great stress on the improvement in the economy since the centre-right coalition took power 19 months ago. But the Chancellor also urged a return to traditional German values of the family and society to help secure the new departure he is proclaiming for the country.

Herr Kohl loftily dismissed the furore of recent days aroused by the surprise proposal of the three government parties for an amnesty for individuals alleged to have evaded taxes by political donations. "Why make criminals of people for contributions made in good faith?" he said.

It was left instead to Herr Alfred Dregger, the CDU/CSU floor leader in the Bundestag (parliament) to make clear that the Government was determined to force the proposal into law by the summer, whatever the opposition – even from within its own ranks.

The time had come, Herr Dregger said, to remove uncertainties which had piled up over 20 years. The Social Democrat (SPD) opposition had no right to cry foul when it had benefited from huge similar contributions to finance its own political activity.

The biggest threat to the amnesty now would appear to come from the Free Democrats (FDP), the junior component of the coalition. On the one hand the FDP is acutely embarrassed by the idea, when its popularity is already ebbing. On the other, party organisers have been warned that potential contributors are refusing to come forward with badly-needed funds without the certainty that such action will not lead them into trouble with the law.

Reuter adds: Chancellor Kohl urged trade unions not to jeopardise West Germany's economic recovery as engineering workers prepared for a strike threatening the key motor industry.

He said a sense of responsibility was needed on both sides of industry to reduce the country's 2.25m unemployed. The West German economic is clearly on course for growth... "but we are not yet out of the rough. We must stick to a path that will ensure economic recovery develops into lasting growth," he said.

Leaders of the giant metalworkers' union, IG Metall, meet in Frankfurt today to decide when and where to call strikes over demands for a 35-hour week with no loss of pay. Some 80 per cent of 250,000 workers in the North Württemberg-North Baden region, where many major car plants are based, supported a strike in a ballot last week. Results of a similar ballot in Frankfurt were expected late last night.

The campaign for a five-hour cut in the working week, spearheaded by the 2.5m-strong IG Metall and the smaller print workers' union, is opposed by the Government and employers, who insist the plan would radically increase costs. Members of the CDU's trades union and youth wings, however, plan to press the Congress for eventual introduction of the shorter working week.

Feldstein returning to teaching post at Harvard

By Stewart Fleming in Washington

MR Martin Feldstein, chairman of President Ronald Reagan's Council of Economic Advisers, who has caused controversy in recent months because of his willingness to advocate policies at odds with the views of senior colleagues, is to resume teaching economics at Harvard University on July 10.

Mr Feldstein made clear when he arrived in Washington that Harvard had a strict rule that its staff could not retain their posts if they stayed away from the university for more than two years.

Underlining the strictness of that rule yesterday, he pointed out that Mr Henry Kissinger, the former Secretary of State, had been forced to resign from the university when he decided to stay in Washington for a longer period. Mr Feldstein also pointed out that Professor John Kenneth Galbraith had returned to Harvard from his post as ambassador to India after two years in order to retain his position.

Were it not for the fact that White House officials knew in advance that Mr Feldstein would be leaving before the presidential election campaign, it is quite likely that Mr Feldstein would have been forced out of his job earlier this year.

His fierce advocacy of immediate measures to cut the $200bn federal budget deficit, and his insistence that the budget deficit was a monumental economic problem, angered White House officials and reportedly weakened his relationship with President Reagan.

When Mr Feldstein was pressing these views the White House, and especially Mr Donald Regan, the Treasury Secretary, were insisting the budget deficit was no problem. In one public outburst earlier this year, Mr Regan told a congressional committee that the best thing it could do with the annual report of the Council of Economic Advisers was to throw it among the refuse because of the views it expressed.

This week, Mr Feldstein has again been at odds with the White House by backing the Federal Reserve Board's monetary policy at a time when the White House has begun to criticise the Fed in an effort to shift the blame for rising interest rates away from President Reagan.

The controversy about Mr Feldstein's period at the Council has raised important issues about whether its chairman should take public positions counter to White House orthodoxy or merely press his views in private. His departure will be a relief to Mr Reagan's political advisers, who would not want Mr Feldstein to be "off the team" in the run up to the election.

Speaking yesterday about his period in Washington, Mr Feldstein refused to be drawn into discussing his successes or failures. Arguably, he could, however, claim to have had considerable influence in shifting the Reagan Administration away from its initial view that the budget deficit problem could be left until after the presidential election. The question of whether, in fact, Congress will begin to start taking effective budget-cutting measures in the next few weeks has still to be resolved, however.

Asked yesterday about the chief impressions he would take away from Washington, Mr Feldstein said: "It's a unique environment. In any organisation there is likely to be infighting and pettiness, but it's only in the White House environment that it gets printed in the newspapers."

Men and Matters, Page 18

THE LEX COLUMN

Trafalgar hoists its colours

It is impossible to discern whether the latest statements from Trafalgar House in its poker game with P & O constitute bluff, double-bluff or some even higher order of bluff. What is clear is that the commercial logic behind the merger of the two businesses unchanged.

All that has changed, apart from some niggles over tax, accounting and sailors' pay, is the P&O share price. And that is only a function of Trafalgar's own share re-rating, with the ratio between the two still close to the five Trafalgar for four P&O shares offer made a year ago. Reasons for not bidding again are scarce.

Yesterday's interim announcement from Trafalgar was full of clues, or perhaps red herrings. The profit figure, showing a 37 per cent advance at the pre-tax level to £45.9m for the six months to March, might be the opening move in a contest to discover who can show the best growth rate this year.

The first time contribution from oil and gas profits – at £16.9m – helped, as did the inclusion of the related petroleum revenue tax in the general tax charge rather than higher up the profit and loss account.

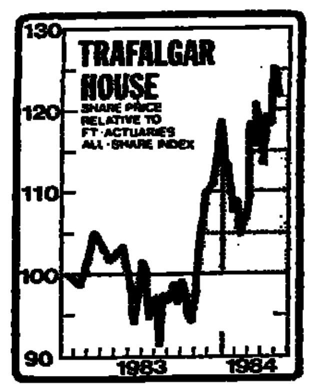
Trafalgar had nine months-worth of its 1 per cent stake in the Forties field, and three months from newly-acquired Candecca.

The unusual forecast of the full year dividend of 10p net, up 17.6 per cent, might also be part of pre-bid posturing.

Shareholders are not allowed to be depressed by the fall in profits shown at the half-way stage by the longer established activities. Each area has, it seems, something good to come in the second half.

A large number of property sales, some major construction profits, a good summer season for the passenger ships – including the benefit for the full period of the two new ones – should all help to push full year profits ahead, with estimates around the £110m level against £79m in 1982–83. That would put Trafalgar shares, unchanged yesterday at 255p, on a p/e of 8½ at the estimated 26 per cent tax rate.

The promised yield is 5.6 per cent. That rating still does not look dear, but the fear of a renewed bid would put a damper on Trafalgar's shares, in turn making a bid less likely to succeed.



European Ferries

To decide whether the share of Euroferries were primarily a cut-price voucher for cross-channel sailings or an equity investment is a puzzle which has probably not exercised the individual shareholder any too hard. The ever increasing fragmentation of its share register into 300-share parcels, however, has clearly been giving the Euroferries board plenty to think about.

Caught between the original feeling that there was bid-safety in large numbers, and the worry that the increasing cost of maintaining the most famous shareholder perk in the London equity market would become intolerable, they may have feared that dis-perking the ordinary shares would expose the company to a raid after all.

The proposed resolution of this dilemma may seem rather more complicated than the obvious expedients, such as raising the qualifying size of holding to a level – perhaps 1,000 shares – which was high enough to ration the concession effectively. However, from the viewpoint of the institutional shareholder, and more particularly from the position of the large personal holders, it is appealing to separate the equity into two classes of share: those with perks and those with votes.

In effect, Euroferries wants to create a closed-ended fund of preference capital, carrying the travel perk – and a 5 per cent coupon – for the next 15 years; the concession is not guaranteed, of course, but at least its removal at any stage would force the company to increase the preference dividend. So the disfranchisement of perhaps 43 per cent of shareholders may be accomplished almost painlessly behind a smoke-screen. Or just fog in the channel?

Part of the 18½p rise in the share price yesterday could no doubt be attributed to the improved trading performance of Euroferries in the year to December. There was a large bounce in the U.S. property account, and the benefit of increased freight traffic showed through in shipping. But the price of 117p seemed to reflect a feeling that the new structure was adding something – if only ironically increased chances of a successful bid for the company.

Couple

Yesterday was perhaps a strange occasion for a European central bank to cut its money market intervention rate, as the Bank of France did. For the limits of decoupling from the dollar were being stressed by speeches from the UK Chancellor of the Exchequer and the president of West Germany's Bundesbank – and simultaneously demonstrated by a clutch of base rate increases from the London clearing banks.

Since there was no shortage in the money market yesterday, the Bank of England could not come out to play against the discount houses, so there was no telling what it thought of the rates chosen by the different clearers. They were unable to agree whether base rates should be at 9 or 9.25 per cent; Barclays and Midland, presumably shorter of liquidity than the others, opted for the higher level.

The authorities can scarcely endorse both bases in their new dealing structure; perhaps there was a case, in a balanced money market, for the Bank to take the revolutionary step of indicating a spread of bill prices. But its ambiguity yesterday was delicately preserved. If the official preference remains in favour of lower interest rates, for the benefit of the real economy, there may be some tacit gratitude to the Federal Reserve for its recent tightening. Mr Volcker may have contributed to the suspiciously modest rate of growth in Sterling M3 last month, along with the upward pressure on money rates.

Pöhl warns on U.S. current deficit

Continued from Page 1

limits on the amounts they could supply to the IMF, or the credits they could guarantee. About 20 per cent of West Germany's monetary reserves were now accounted for by claims in the IMF, and this could rise to 40 per cent if all West Germany's commitments were taken up.

Herr Pöhl was addressing the annual lunch for foreign bankers given by the Financial Times in London.

AP-DJ reports from Frankfurt: The West German Bundesbank intervened in support of the D-Mark for the second day running, selling an official $50m at the fixing, while dealers estimated the Bundesbank's open market sales at $150m–$200m. The dollar closed in Frankfurt at DM 2.7769 (DM 2.7812).

Currencies, Page 43.

Hoechst cautious after upsurge

BY JOHN DAVIES IN FRANKFURT

HOECHST, the West German chemical group, is cautious about prospects for the second half of this year in the wake of the rapid increase in its sales and profits.

Professor Rolf Sammet, the chief executive, said that the chemical industry was likely to see some weaker market trends in the third quarter, while the fourth quarter would show to what extent those trends were a seasonal setback.

He said Hoechst's second-half sales revenue – and especially its profits – would probably not be as strong as in the first half; but the company hoped for profits in 1984 at least as good as last year's.

Hoechst disclosed that its worldwide group net profit rose 187 per cent last year to DM 909m ($327m) from the depressed level of DM 317m in 1982.

It has already reported that parent company net profits were up 51 per cent at DM 437m, enabling it to restore its dividend from DM 5.50 to DM 7 per share.

Prof Sammet said that Hoechst's foreign subsidiaries greatly improved their performance last year. After making an overall loss of DM 14m in 1982, they contributed DM 393m to last year's profits.

Profitability was much better at Roussel Uclaf and Société Française Hoechst in France, as well as at subsidiaries in the U.S. and the Netherlands. But some operations in Brazil and the Berger paint subsidiary in the UK still made losses.

Hoechst boosted its worldwide sales revenue by 6.3 per cent to DM 37.19bn last year, with a particularly strong increase in sales of fibres, agricultural protection materials plastics and organic chemicals.

In the first quarter of this year the improvement continued, with parent company pre-tax profit reaching DM 306m. This was 56 per cent ahead of the same period last year and a third higher than last year's quarterly average.

The worldwide group sales revenue was DM 10.16bn in the first quarter, 14.9 per cent up on a year ago, while parent company sales revenue was 15.8 per cent ahead at DM 3.66bn.

Capacity was 85 per cent utilised – against 75 per cent a year earlier and 83 per cent in the fourth quarter last year.

Prof Sammet said that sales revenue last month was also much higher than a year earlier, but not as good as in March, in line with seasonal trends.

But he said there was "a certain weakening of demand in some sectors, for example, in parts of the fibre division. In plastics, too, it was extremely difficult to achieve necessary price increases.

Montedison trims losses, Page 21

Threat to Amrep rescue

Continued from Page 1

Amrep is at the centre of an investigation by the Commission des Operations de Bourse, France's stock exchange watchdog. It charges that the company issued misleading information when it launched a convertible bond last November on the basis of an optimistic earnings forecast.

Amrep's shares collapsed dramatically in March and have been suspended on the Paris bourse.

The rescue plan agreed last month, which was dependent on Amrep drawing up a full recovery strategy, possibly with state help, called for Bouygues to take a 55 per cent stake in the Auxirep holding company, which owns 50.1 per cent of Amrep's shares.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	C	16	61	Dubrovnik	F	17	63	Malaga	F	17	63	Salzburg	F	13	55
Akrotiri	S	22	72	Faro	F	18	64	Malta	—	—	—	Seoul	S	26	79
Algiers	R	15	59	Florence	R	14	57	Manila	C	34	93	Singapore	R	29	84
Amsterdam	C	9	48	Frankfurt	F	11	52	Miami	F	28	82	Stockholm	F	8	46
Athens	S	21	70	Funchal	F	19	66	Milan	S	16	61	Strasbourg	F	13	55
Bahrain	S	34	93	Geneva	S	12	54	Moscow	C	21	70	Sydney	R	17	63
Bangkok	S	35	95	Gibraltar	S	19	66	Munich	F	10	50	Taipei	F	28	82
Barcelona	F	18	64	Guernsey	F	10	50	Nairobi	—	—	—	Tangier	F	18	64
Beirut	—	—	—	Helsinki	C	7	45	Naples	S	27	81	Tehran	—	—	—
Belgrade	C	9	48	H. Kong	S	29	84	New Delhi	S	41	106	Tel Aviv	S	24	75
Berlin	F	11	52	Innsbruck	S	10	50	New York	R	14	57	Tenerife	F	22	72
Biarritz	F	12	54	Inverness	F	12	54	Nice	C	19	66	Tokyo	F	28	82
Blackpool	C	9	48	Istanbul	S	20	68	Oporto	S	19	66	Toronto	C	11	52
Bordeaux	S	15	59	Jersey	S	10	50	Oslo	F	7	45	Tunis	F	26	79
Brussels	C	8	46	Jo'burg	F	19	66	Paris	F	11	52	Valencia	F	18	64
Budapest	C	12	54	Las Palmas	F	22	72	Prague	F	10	50	Venice	C	14	57
B. Aires	F	22	72	Lima	F	23	73	Reykjavik	C	8	48	Vienna	F	11	52
Cairo	S	30	86	Lisbon	R	17	63	Rio de J'o	S	28	82	Warsaw	F	7	45
Cape Town	C	17	63	Locarno	S	18	64	Rome	F	24	75	Zurich	S	11	52
Caracas	C	28	82	London	S	14	57								
Casablanca	C	18	64	Los Angeles	S	32	90								
Copenhagen	F	9	48	Luxembourg	F	9	48								
Corfu	C	21	70	Madrid	F	13	55								
Dublin	C	12	54	Majorca	C	17	63								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

City Investing bid

Continued from Page 1

would receive $40 a share in cash for each outstanding share plus a new $10 face value issue of 13 per cent exchangeable junior cumulative preferred stock in a new company formed through the acquisition. City Investing's existing debentures would also be exchanged for new paper.

Among City Investing's major operating units, the group owns the Home Insurance company one of the largest casualty insurers in the U.S., the Motel 6 chain of discount hotels, Rheem Manufacturing, and World Colour Press, the nation's largest printer of consumer magazines.

City Investing said the total purchase price for its common and preferred stock would be about $2.3bn. At that price it ranks as the second largest leveraged buyout deal. Last week Kohlberg, Kravis, Roberts announced a plan to take Esmark, the Chicago based food, consumer and industrial products group, private in a deal worth a total of $2.4bn, including the costs of assuming debt.

Mr Scharffenberger said: "Independent members of the board of directors will review the offer with the help of outside advisers and will

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FINANCIAL TIMES

Thursday May 10 1984

Montedison losses down sharply in trend reversal

BY JAMES BUXTON IN ROME

MONTEDISON, Italy's leading chemical company, has reported its first decline in group losses since 1979. Losses in 1983 were 63 per cent down on those for 1982, although they still amounted to L322bn ($190m) on sales of L10,660bn.

The group's loss in 1982 was, at L859bn, the worst in Montedison's history. It was the third in a series of mounting losses, a trend which is now being reversed.

Montedison SpA, the parent company, also reported sharply diminished losses. Against a record loss of L758bn in 1982, the loss was L393bn last year.

After several years of almost continual reconstruction involving the disposal of large parts of the company petrochemical business, Montedison is now more optimistic than it has been for years.

The Milan-based concern hopes to break even by the end of the year. Group operating profits rose last year to L853bn from L620bn in 1982.

The company's indebtedness was virtually unchanged at L3900bn and net financial assets were down only L45bn to L415bn despite the heavy loss due to additions to reserves which the company did not explain.

Sales, which stagnated in 1982, rose 18.5 per cent to L10,660bn, of which some 40 per cent was exported. The number of employees dropped from 84,169 in 1982 to 72,813 in 1983.

The thrust of Montedison's strategy in the past two years has been to reduce its presence in the less economic sectors of basic chemical products and concentrate as far as possible on higher value products in the field of fine chemicals.

Last year it disposed of a number of petrochemical plants to Enichem, the chemical subsidiary of the Italian state energy concern ENI. It also formed an important alliance with Hercules of the U.S. in the field of polypropylene and launched Erdamont, a joint venture with Hercules in pharmaceuticals and medical care, on Wall Street.

Paribas recovers its majority control of Geneva subsidiary

BY DAVID MARSH IN PARIS

COMPAGNIE Financiere de Paribas, the French state-owned financial group, has recovered majority control of the Geneva-based bank Paribas Suisse, in a move which reverses the controversial sale in 1981 of part of its stake.

Under an agreement reached with foreign investors who took control of the bank just before Paribas was nationalised in 1982, the French group has increased its direct and indirect shareholding in Paribas Suisse to 70 per cent from about 48 per cent previously and 40 per cent after the share sale was carried out in autumn 1981.

M Pierre Moussa, former Paribas chairman, arranged the discreet sale of the group's majority stake to enable the Geneva bank to escape nationalisation. This sparked off a major political row during which M Moussa resigned as chairman in October 1981.

M Moussa was acquitted last month of responsibility for exchange control infractions carried out by Paribas employees.

The new deal agreed by M Jean-Yves Haberer, Paribas chairman, after several months of negotiations, effectively brings back Paribas Suisse fully into the international Paribas network, while guaranteeing the Swiss offshoot a certain amount of management autonomy.

Under the agreement the Pargesa group of shareholders, which has controlled Paribas Suisse since 1981, has agreed with Paribas to place part of its previous 50.5 per cent stake in a joint holding company, owned 50 per cent each by Paribas and Pargesa, which will own 51 per cent of Paribas Suisse.

Pargesa has also agreed to transfer 22.5 per cent of its previous shareholding in the Geneva bank to the Paribas group, and to transfer the remaining 3 per cent to the Belgian Bruxelles Lambert financial group.

Pargesa, which groups a number of Paribas' traditonal financial allies, including the Canadian Power Corporation, Frére-Bourgeois of Belgium and Volvo, will therefore reduce its stake in Paribas Suisse to 25.5 per cent (owned through the holding company).

Volvo to gain 15% in Cardo after issue

By David Brown in Stockholm

CARDO, the Swedish sugar, seeds, biotechnology and investment group, has announced a SKr 865m ($106.3m) share issue which will be fully subscribed by Volvo and will give the auto and industrial group the largest single stake at 15 per cent.

In return, Cardo receives from Volvo a 10 per cent share in Sonessons, an engineering company with extensive holdings in biotechnology and pharmaceuticals and worth about SKr 300m. It also receives SKr 565m in cash.

This brings Volvo's stake in Sonessons down to 32.8 per cent. It earlier sold 9 per cent to Skanska Cementgjuteriet, the region's largest construction company, and plans ultimately to bring its holdings down to about 25 per cent.

Cardo has also reached agreement to buy a 2 per cent interest in Volvo (worth SKr 303m and corresponding to 4.5 per cent of the vote) from Investor Providentia, holding companies of the Wallenberg Group, as a "long-term investment."

This is the first step in an earlier deal which ended a power struggle between Volvo and the Wallenberg group under which each agreed to sell its interests in the other's companies.

The elaborate deal gives Cardo – which is already involved in genetic engineering – co-operation possibilities "at least in research" with Sonesson's subsidiaries, said Mr Per Lindblad, Cardo's managing director.

Sonessons has recently expanded in the medical field with three major purchases, including a large interest in Gambro, makers of kidney dialysis equipment, Leo, a drug maker, and Ferrosan, a pharmaceutical research and development group.

Atari in revitalisation bid with two new games

BY LOUISE KEHOE IN SAN FRANCISCO

ATARI'S promise to revive the market for video games received its first test yesterday with the launch of two video games created by Lucasfilm, makers of the movie "Star Wars."

"These are the first in a series of products that we think will revitalise Atari and the video games business," said Mr Dave Ruckert, senior vice president.

The games represent Atari's first major product introduction since Mr James Morgan took over as the company's president last September, following the virtual collapse of Atari's video games business.

Atari posted losses of $539m in fiscal 1983 and has not yet returned to profitability. Mr Morgan maintains that Atari will be profitable before the end of fiscal 1984.

The video games, however, are unlikely to contribute significantly to the forecast profits. The games, retailing at $35, are designed for use on Atari's upgraded 5200 game system. Atari says it has sold about 1m 5200 systems, providing a limited potential market for the games compared with the estimated 14m installed Atari 2600 game systems.

Atari will adapt the games to run on its own and competitors home computers, but said the graphics and sound effects on these versions may be degraded.

Reactions were cool at the first public showing of the games. "Fractalus," a game in which the player steers a space ship through rocky terrain fighting off "jaggies" in an effort to rescue stranded pilots, owes much to previous video and computer games.

General Foods profits up 10%

BY TERRY BYLAND IN NEW YORK

A BATCH of profits statements announced yesterday by major U.S. food companies disclosed mixed trading experiences over the past three months.

Net earnings at **General Foods**, the leading producer of packaged foods, advanced by 10 per cent to $317.1m or $6.10 a share for the fiscal year to March 31, with sales 4.3 per cent ahead at $8.7bn.

Mr J. Ferguson, chairman of General Foods, said volume growth met expectations.

Higher operating profits were recorded by the packaged grocery products, processed meat and food services divisions.

The final quarter of the fiscal year brought slower growth, with sales only 1.4 per cent up at $2.2bn and net earnings at $117.3m, only 6.7 per cent ahead.

Anderson Clayton, which has animal food and insurance interests in addition to consumer and institutional food operations, reported an exceptionally strong third quarter, with net earnings bounding by 185 per cent to $12m or 76 cents a share, on sales of $375.6m against $334.4m.

For nine months, the Houston-based group, whose operations range through Brazil and Mexico as well as the U.S., showed a 76 per cent gain in earnings at $31.3m or $2.52 a share.

An increased quarterly dividend of 43½ cents a share was declared by **Gerber Products**, which holds about 70 per cent of the U.S. market for baby foods. Gerber lifted net earnings by 29 per cent to $50.1m or $3.72 a share for the year to March 31, with sales at $805.4m against $718.6m. Fourth quarter net earnings rose from $11m or 82 cents to $13.5m or 99 cents a share on sales of $229m compared with $189.6m.

Setback for Danish shipping group

BY HILARY BARNES IN COPENHAGEN

J. LAURITZEN Shipping Company, which owns 21 ships and five drilling rigs and operates a total fleet of 64 vessels, reported a decline in net profits last year from DKr 293m ($29m) to DKr 205m. The group report for Lauritzen, which holds a majority of the shares in the DFDS shipping company, rescued from insolvency last month, will be published later.

The shipping company's turnover declined from DKr 1.9bn to DKr 1.8bn and the operating profit, before financial costs, was cut from DKr 637m to DKr 397m. Revenue of DKr 153m from the sale of ships, however, kept the decline in earnings before extraordinary items and tax to DKr 265m compared with DKr 355m in 1982.

The group's equity capital increased by DKr 78m to DKr 1.21bn last year.

The company said the result was better than expected in an extremely difficult year for shipping. It said there was no prospect of a significant improvement in the markets for the company's main activities, which include refrigerated vessels, this year.

Teledyne plans $1bn buyback

By Our Financial Staff

SHARES IN Teledyne, the diversified Los Angeles-based manufacturing group, jumped $33¾ to $189 in early trading yesterday after the company announced a major share buy-back plan that could cost $1bn – the largest in a spate of recent corporate share buy backs.

The company said it would offer to puchase up to 5m of its common shares at $200 a share. The offer is effective immediately and expires at the end of this month.

The company would not comment on why it was offering to purchase the shares, which represent about 25 per cent of shares outstanding.

Teledyne said that if more than 5m shares were tendered it might elect to purchase all or any portion of the shares in excess of this figure.

Analysts were surprised by the Teledyne announcement. "Teledyne has made several stock buy backs in the past, but nothing on this scale," said Mr Jon D. Gruber of Montgomery Securities in San Francisco.

Teledyne is estimated to have cash reserves of more than $900m. The premium offered by Teledyne is too high, Mr Gruber suggested.

KHD set to lift payout

By James Buchan in Bonn

KLÖCKNER - Humboldt - Deutz (KHD), the West German engineering group, intends to pay a slightly increased 16 per cent dividend after improving parent net company profit last year from DM 49.75m to DM 52.4m ($18.9m).

The improved result was made possible by cost-cutting, as parent company sales were down in 1983 from DM 3.92m to DM 3.77m, with group sales down 2 per cent to DM 4.9bn.

Imasco shows strong advance in quarter

By Robert Gibbens in Montreal

IMASCO, the major tobacco products, retailing and fast food group owned 40 per cent by BAT Industries of the UK, had a strong fourth quarter and, with the addition of People's Drugstores in the U.S. expects another good year ahead. People's was acquired this spring for about C$400m ($308.6m).

In the year ended March 31, Imasco earned C$194.2m or $3.80 per share, fully diluted against $156.8m or $3.24 per share, on revenues of $2.9bn against $2.7bn. Fourth-quarter earnings were $39.4 or 77 cents a share against $30.1m or 57 cents

SEC loses case against Carter Hawley Hale

BY WILLIAM HALL IN NEW YORK

CARTER Hawley Hale's bid to fight off an unwelcome $1.3bn takeover bid from its smaller but aggressive rival, The Limited, have been given a powerful boost after the defeat of a Securities and Exchange Commission (SEC) court action against Carter Hawley.

The SEC had accused Carter Hawley of violating its rules governing self-tender offers when the Los Angeles-based retailer had bought back almost half its equity as part of a defensive move to thwart a $35 per share bid from The Limited.

However, Judge Wallace Tashima, in a Californian district court, rejected the SEC action, which had tried to unravel some of Carter Hawley's defensive tactics. The judge said that he did not believe that Carter Hawley had made a tender offer as defined by the Williams Act, which was passed to protect investors from unfair tender offers. Carter Hawley's advisers had argued that the SEC was trying to establish a novel legal precedent concerning tender offers which had been defeated previously.

It was unclear yesterday whether the SEC would challenge the Los Angeles court ruling.

Cyanamid may sell Formica business

By Our Financial Staff

AMERICAN CYANAMID, the broad-based agricultural, medical and special chemicals company, has engaged Morgan Stanley, the U.S. investment bank, to explore the possible sale of its Formica business, the world's largest decorative laminate producer.

Operations in the U.S., Canada, Europe and the Far East may be sold, but those in Latin America will be excluded.

DATA PIONEER PLANS LARGE ACQUISITION

Dun & Bradstreet strengthens its base

BY PAUL TAYLOR IN NEW YORK

DUN & BRADSTREET'S planned acquistion of Datastream, the UK-based electronic financial information company, marks another major step in the U.S. group's strategy to concentrate its resources in the fast-growing business information and business services industry.

The U.S. group was one of the pioneer developers last century of business information for the private sector. Today it ranks as the leading U.S. provider of credit information to businesses. It owns Moody's Investor Services, the U.S. credit rating agency, it publishes Yellow Pages directories for 63 telephone companies and it offers a wide range of computer and marketing services to industry.

D & B signalled its intention to focus on the business information industry last year with the sale of its six-station Corinthian Television group to A. H. Bello, the Dallas-based broadcasting group, for $606m.

The sale, which was completed three months ago, raised some eyebrows on Wall Street because the Corinthian group was a high profit earner for D & B. Mr Harington Drake, D & B chairman, pointed out at the time that the sale would provide cash for further acquisitions in the group's core business areas.

"We are concentrating our resources in a fast growing industry," he said at the time. "During the period 1978 to 1982, large U.S. information services companies grew more than twice as fast as the GNP."

For D & B, which also recently sold its Funk and Wagnalls encyclopaedia publishing business to a group of managers, the industry has certainly proved profitable.

Last year the company, which has constantly ranked as one of the most profitable within its sector, reported a 17.8 per cent increase in net income to $167.4m on total revenues of $1.62bn – producing a return on sales of 10.4 per cent and a return on equity of 31.2 per cent.

The business information services division, one of three main operating divisions, continues to grow. Aside from the D & B credit service, which maintains information on 5.3m U.S. companies and serves more than 80,000 subscribers, D & B International provides a similar service in 26 countries. The division includes a growing computer software business, a computer time-sharing service and a computerised information service.

D & B expanded the division last year by acquiring McCormack and Dodge, a business software group, and introduced Dunsvoice, a computer-voice system enabling customers to obtain business and credit information over the telephone using the telephone keyset like a computer terminal. Last year the division produced operating revenues of $730.5m and operating income of $127.4m.

The publishing division, comprising Moody's, the official airlines guide – which went electronic last May – a trade and professional magazine group and Reuben H. Donnelley, which publishes Yellow Pages, remains a major contributor to earnings and sales. Last year it produced revenues of $528.5m and operating income of $170.2m.

The marketing services division is D & B's third and smallest following the sale of its broadcasting division. Last year it produced revenues of $250.6m and operating income of $31.1m. It mainly comprises the Donnelley marketing group, which offers a wide range of marketing services, and the financial services industry group, which provides services aimed at banking and other financial service company clients.

INTL. COMPANIES & FINANCE

Japanese banks to offer lower rates on yen loans

BY YOKO SHIBATA IN TOKYO

JAPANESE BANKS are planning to offer medium and long-term *loans with terms based on* the rates for certificates of deposit (CDs) in an attempt to attract quality borrowers. The move is a further challenge to the existing rigid interest rate structure which is determined by reference to the fixed long-term prime rate.

Under the current formula offshore yen loans to highly rated sovereign and international institutional borrowers are made at spreads of 0.1 to 0.2 points over the long-term rate—which is set at 7.9 per cent.

However, the same triple-A rated borrowers also have access to the market in Samurai bonds (*yen denominated bonds issued* in Japan) which have a lower coupon rate of 7.3 to 7.4 per cent. *Banks have been under* considerable pressure recently to lower their lending rates and competition between them has driven margins down to 0.1 point or even to the long-term rate itself.

The loans based on the CD rate will offer a margin of 1.2 points above the 6.375 per cent rate around which CDs have been hovering for some time. On such terms these loans will be more competitive with those of the Samurai market.

The present terms on medium and long-term yen denominated offshore loans are based on the domestic structure for loans of a *similar length. They are set* at 0.9 points above the rate for five-year interest bearing bank *debentures which in turn* is set at the same level as the coupon rate on long-term government bonds. Japanese banks have been vociferously demanding the dismantling of this fixed long-term interest rate structure.

Recently the Ministry of Finance lifted the quotas on yen denominated or linked medium and long-term offshore loans, and is known to be studying the liberalisation of the Euroyen medium and long-term loans from April 1985. These measures are expected to erode the grip of the fixed long-term prime rate over the lending *market.*

Machine tool makers see upturn

BY OUR TOKYO CORRESPONDENT

TWO OF Japan's major machine tool manufacturers, Okuma Machinery Works and Makino Milling Machine, say they are *on the verge of a recovery after* both posting lower earnings for the year to March.

Okuma's full year unconsolidated pre-tax profits fell by 24.5 per cent to Y3.041bn *($13.3m) and net profits* by 12 per cent to Y1.31bn, on sales of Y46.6bn, down by 1.7 per cent. Sales in the second half were up 18 per cent, however, thanks to the recovery in the U.S. and increased demand for small machine tools from domestic office automation equipment and electronics manufacturers.

At Makino Milling Machine pre-tax profits were down 3 per *cent to Y5.72bn, and net profits* by 0.7 per cent to Y3.01bn, on full year sales of Y40.96bn, up by 7.1 per cent.

Sales of milling machines and numerically-controlled milling machines were hit by intense competition but machining centre sales showed a 32 per cent gain and exports rose by 25 per cent to Y12bn.

Higher depreciation costs and sales expenditure dragged down earnings but Makino expects a strong recovery and has increased the dividend from Y10 to Y11.

Both manufacturers are expecting strong demand for *machine tools in the current* year, both in the domestic and overseas markets, and a recovery in selling prices is forecast.

Okuma says unconsolidated *pre-tax profits should* double to Y6bn in 1984-85. Net profits are forecast at Y2.8bn, up 2.13 times, and sales are projected at Y60bn, up 28 per cent.

Makino forecasts sales of Y45bn, up by 10 per cent, and record pre-tax profits of Y6.6bn, up by 15 per cent.

Nippon Steel and Hughes in joint venture

By Our Tokyo Staff

NIPPON STEEL, the world's largest steel maker, and Hughes Tool of the U.S., the world's largest maker of oil drilling equipment, signed an agreement in Tokyo yesterday to set up a joint-venture company in Japan for the development and production of drilling collars.

The new company, Nittetso-Hughes, will be capitalised at Y300m ($1.3m) and will be 60 per cent owned by Nippon Steel and 40 per cent by Hughes Tool. Mr Akira Matsufuji from Nippon Steel is expected to assume the presidentcy of the new company.

Nittestu-Hughes will be based on land owned by Nippon Steel in Kitakyushu, in western Japan. It plans to manufacture 20,000 tons of drilling collars a year starting from July 1985.

Turnover and net profits growth at SA Breweries

BY JIM JONES IN JOHANNESBURG

SOUTH AFRICAN Breweries, the monopoly brewer and the country's tenth largest company with extensive retail and consumer goods interests, expects trading conditions to remain extremely competitive until 1985 at the earliest. In the year to March 1984 the group increased turnover by 10.9 per cent to R4.82bn ($3.78bn) from R4.34bn in the preceding financial year. Operating profits *before interest and tax fell* by 7.4 per cent to R369.1m from R398.4m.

A first-half earnings decline was reversed during the second half with a substantial turnaround registered in all sectors of the group. Beer sales started the year slowly but recovered to show a 5 per cent overall increase. This was translated into a 9 per cent earnings increase by the beverage division.

Dividend income and equity accounted earnings increased to R52m from R41.3m following the restructuring of the group's hotel and casino interests. This, coupled with a lower tax charge and a decline in profits attributable to outside shareholders, resulted in an increase in profits attributable to ordinary shareholders to R204.6m from R198.3m.

Earnings per share rose to 79.4 cents from 78 cents and the dividend total is raised to 36 cents from 35 cents a share.

High interest rates and higher tax rates are expected to adversely affect the current year's performance. Vigorous marketing and strict cost controls are, however, expected by the company to contribute to a moderate earnings improvement.

AMP boosts foreign investment

BY MICHAEL THOMPSON-NOEL IN SYDNEY

Mr Alan Coates, general manager of the Australian Mutual Provident Society, (AMP), Australia's largest life office, said yesterday that the Society was emerging as a major investor on international share markets.

AMP is Australia's largest non-government investor. Figures released yesterday showed that in 1983, it invested A$265m (US$244m), in companies in the U.S., Japan and U.K. This compared with total equity holdings of A$3.1bn. In the current year, said Mr Coates, AMP's foreign equity investment would rise still further.

Part of the reason, he said, was that the recent phase of major resource development in *Australia was at an end, and* the vacuum was not being compensated for by major investment schemes in the secondary and services areas.

He said AMP believed that at present the Australian share market was "pretty fully priced" adding: "I don't see any great surge, nor do I see any great retreat, unless something extraordinary happens internationally."

AMP holds direct equity stakes in numerous resource projects. In addition, it is a substantial shareholder in a broad range of Australian mining and resource companies.

The first jump in oil prices, in 1973-74, triggered a revolution in the Australian energy and resource industries, but the major investment phase of the past decade has now lost its impetus.

Recently an Australian Trade Development Council study *group said that while international* economic recovery would provide some relief to Australia's resource industries, the country's biggest export market, Japan, offered only limited growth prospects for exports of iron ore and coal, even if sales of uranium and natural gas were likely to rise.

AMP's total income last year was A$2.1bn, up 12.5 per cent on 1982. Premium income was 15.6 per cent higher at A$1.3bn, while investment income totalled A$814m. Total assets at December 1983 stood at A$10.3bn.

● Bell Resources, the fast-growing offshoot of Mr Robert Holmes à Court's Perth-based Bell *Group, has now acquired* 91.8 per cent of Bermuda-based oil group, Weeks Petroleum, and will compulsorily acquire the remainder. Weeks Petroleum controls Weeks Australia, *which apart from its lucrative* Bass Strait oil and gas royalties has a 10.31 per cent interest in the important Jabiru oil strike off northern Australia.

BASE LENDING RATES

A.B.N. Bank	9 %	Heritable & Gen. Trust	8¾%
Allied Irish Bank	8¾%	■ Hill Samuel §	8¾%
Amro Bank	9 %	C. Hoare & Co. †	8¾%
Henry Ansbacher	9¼%	Hongkong & Shanghai	9 %
Armco Trust Ltd.	9¼%	Kingsnorth Trust Ltd.	10 %
Associates Cap. Corp.	9 %	Knowsley & Co. Ltd.	9¼%
Banco de Bilbao	8¾%	Lloyds Bank	9 %
Bank Hapoalim BM	9 %	Mallinhall Limited	9 %
BCCI	9¼%	Edward Manson & Co.	9¼%
Bank of Ireland	8¾%	Meghraj and Sons Ltd.	8¾%
Bank of Cyprus	8¾%	Midland Bank	9¼%
Bank of India	8¾%	■ Morgan Grenfell	9 %
Bank of Scotland	9¼%	National Bk. of Kuwait	9 %
Banque Belge Ltd.	8¾%	National Girobank	8¾%
Barclays Bank	9¼%	National Westminster	9 %
Beneficial Trust Ltd	9¼%	Norwich Gen. Tst.	8¾%
Bremar Holdings Ltd.	8¾%	People's Tst. & Sv. Ltd.	9¼%
Brit. Bank of Mid. East	9 %	R. Raphael & Sons	9 %
■ Brown Shipley	8¾%	P. S. Refson & Co.	9¼%
CL Bank Nederland	9 %	Roxburghe Guarantee	9¼%
Canada Perm't Trust	8¾%	Royal Trust Co. Canada	8¾%
Castle Court Trust Ltd.	9¼%	■ J Henry Schroder Wagg	8¾%
Cayzer Ltd.	8¾%	Standard Chartered ‖	9¼%
Cedar Holdings	9 %	Trade Dev. Bank	8¾%
■ Charterhouse Japhet	9¼%	TCB	9 %
Choulartons	10¼%	Trustee Savings Bank	8¾%
Citibank NA	8¾%	*United Bank of Kuwait*	9 %
Citibank Savings ¶	9¼%	United Mizrahi Bank	9 %
Clydesdale Bank	9¼%	Volkskas Limited	8¾%
C. E. Coates	10¼%	Westpac Banking Corp	8¾%
Comm. Bk. of N. East	8¾%	Whiteaway Laidlaw	9¼%
Consolidated Credits	8¾%	Williams & Glyn's	9¼%
Co-operative Bank	9 %	Wintrust Secs. Ltd.	8¾%
The Cyprus Popular Bk	8¾%	Yorkshire Bank	9 %
Dunbar & Co. Ltd.	9¼%		
Duncan Lawrie	8¾%		
E. T. Trust	9 %		
Exeter Trust Ltd.	9¼%		
First Nat. Fin. Corp	11 %		
First Nat. Secs. Ltd	9¼%		
Robert Fraser	9¼%		
Grindlays Bank ‡	9 %		
■ Guinness Mahon	9 %		
■ Hambros Bank	8¾%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 5.75%, 1-month 6.50%. Fixed rate 12 months £2,500 8% £10,000, 12 months 8.25%.
† 7-day deposits on sums of: under £10,000 5¼%, £10,000 up to £50,000 6¾%, *£50,000 and over* 7¼%.
‡ Call deposits £1,000 and over 5¼%.
‖ 21-day deposits over £1,000 7%.
§ Demand deposits 5¼%.
¶ Mortgage base rate.

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS
PER 8 MAY 1984

	INDEX Today	INDEX Last week	% Year's High	Year's Low
US$ Eurobonds	12.68	12.60	12.68	11.52
DM (Foreign Bond Issues)	7.34	7.37	7.48	7.14
HLF (Bearer Notes)	7.57	7.60	8.11	7.57
Can$ Eurobonds	13.78	13.62	13.91	12.60

Bank J. Vontobel & Co Ltd, Zurich - Tel: 010 411 488 7111

These securities having been sold this announcement appears as a matter of record only.

Issue of up to

£75,000,000

European Investment Bank

10¾ per cent. Bonds due 1992

of which £50,000,000 has been issued as the Initial Tranche

Morgan Grenfell & Co. Limited

Samuel Montagu & Co. Limited	**S. G. Warburg & Co. Ltd.**
Banque Indosuez	**Baring Brothers & Co., Limited**
County Bank Limited	**Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft**
Hambros Bank Limited	**Kleinwort, Benson Limited**
Lloyds Bank International Limited	**Mitsubishi Finance International Limited**
Morgan Guaranty Ltd	**Morgan Stanley International**
The Nikko Securities Co., (Europe) Ltd.	**J. Henry Schroder Wagg & Co. Limited**

These securities having been sold this announcement appears as a matter of record only.

SNCF

£60,000,000

Société Nationale des Chemins de fer Français

Guaranteed by

The Republic of France

11¼ per cent. Guaranteed Bonds due 1994

Morgan Grenfell & Co. Limited

Banque Bruxelles Lambert S.A.	**Banque Indosuez**
Barclays Bank Group	**Commerzbank Aktiengesellschaft**
County Bank Limited	**Credit Suisse First Boston Limited**
Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft	**Hambros Bank Limited**
Kleinwort, Benson Limited	**Hill Samuel & Co. Limited**
Samuel Montagu & Co. Limited	**Mitsubishi Finance International Limited**
Salomon Brothers International Limited	**Nomura International Limited**
Swiss Bank Corporation International Limited	**Société Générale**
	S. G. Warburg & Co. Ltd.

Arab Bank Investment Company Limited	Kidder, Peabody International Limited
Astaire & Co. Limited	Lazard Brothers & Co., Limited
Bankers Trust International Limited	Lloyds Bank International Limited
Bank of Tokyo International Limited	LTCB International Limited
Banque de l'Union Européenne	Merrill Lynch Capital Markets
Banque Française du Commerce Extérieur	Mitsui Finance Europe Limited
Banque Paribas	Morgan Guaranty Ltd
Baring Brothers & Co., Limited	Morgan Stanley International
Caisse Centrale des Banques Populaires	The Nikko Securities Co., (Europe) Ltd.
Caisse des Dépôts et Consignations	The Nippon Credit Bank Ltd
Caisse Nationale de Crédit Agricole	The Nippon Kangyo Kakumaru (Europe) Limited
James Capel & Co.	Orion Royal Bank Limited
Charterhouse Japhet plc	Phillips & Drew
Chase Manhattan Limited	PK Christiania Bank (UK) Ltd.
Citicorp Capital Markets Group	N. M. Rothschild & Sons Limited
Crédit Commercial de France	The Saitama Bank (Europe) S.A.
Crédit Industriel et Commercial	Sanwa Bank (Underwriters) Limited
Crédit Lyonnais	Scandinavian Bank Limited
Dai-Ichi Kangyo International Limited	J. Henry Schroder Wagg & Co. Limited
Daiwa Europe Limited	Société Séquanaise de Banque
Dresdner Bank Aktiengesellschaft	Standard Chartered Merchant Bank
European Banking Company Limited	Sumitomo Finance International
First Chicago Limited	The Taiyo Kobe Bank (Luxembourg) S.A.
Fuji International Finance Limited	Tokai International Limited
Goldman Sachs International Corp.	Wardley
IBJ International Limited	Westdeutsche Landesbank Girozentrale
The Investment Bank of Ireland Limited	Yamaichi International (Europe) Limited

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These securities having been sold this announcement appears as a matter of record only.

UB

£25,000,000

UB Finance B.V.

8⅞ per cent. Bonds due 1989

Guaranteed by

United Biscuits (Holdings) plc

and

Warrants

to subscribe 17,500,000 Ordinary Shares

in

United Biscuits (Holdings) plc

Morgan Grenfell & Co. Limited
Deutsche Bank Aktiengesellschaft
Morgan Stanley International
Swiss Bank Corporation International Limited

Algemene Bank Nederland N.V.	Kredietbank S.A. Luxembourgeoise
Amro International Limited	Merrill Lynch Capital Markets
Banque Bruxelles Lambert S.A.	Mitsubishi Finance International Limited
Barclays Bank Group	Samuel Montagu & Co. Limited
Baring Brothers & Co., Limited	Morgan Guaranty Ltd
Cazenove & Co.	The Nikko Securities Co., (Europe) Ltd.
Citicorp Capital Markets Group	Nomura International Limited
Commerzbank Aktiengesellschaft	Orion Royal Bank Limited
County Bank Limited	Robert Fleming & Co. Limited
Credit Suisse First Boston Limited	Sanwa Bank (Underwriters) Limited
Daiwa Europe Limited	Saudi International Bank AL-BANK AL-SAUDI AL-ALAMI LIMITED
Goldman Sachs International Corp.	J. Henry Schroder Wagg & Co. Limited
Hambros Bank Limited	Société Générale de Banque S.A.
Hill Samuel & Co. Limited	Strauss Turnbull & Co.
E. F. Hutton & Co. (London) Ltd.	Wood Gundy Limited
Kidder, Peabody International Limited	Yamaichi International (Europe) Limited
Kleinwort, Benson Limited	

These securities having been sold this announcement appears as a matter of record only.

£50,000,000

The Republic of Trinidad and Tobago

12¼ per cent. Loan Stock 2009

Redeemable at Stockholders' Option in 1989, 1994, 1999 and 2004

Issue price £98.641 per cent.

Morgan Grenfell & Co. Limited	**J. Henry Schroder Wagg & Co. Limited**
Barclays Bank Group	**Baring Brothers & Co., Limited**
County Bank Limited	**Kleinwort, Benson Limited**
Samuel Montagu & Co. Limited	**S. G. Warburg & Co. Ltd.**

INTERNATIONAL COMPANIES and FINANCE

North American Quarterly Results

AIR CANADA
Airline

First quarter	1984 C$	1983 C$
Revenue	551.2m	529.5m
Net loss	19.6m	18.5m
Net per share	—	—

BRIGGS & STRATTON
Engines, vehicle locks

Third quarter	1984 C$	1983 C$
Revenue	288.6m	169.8m
Net profits	26m	9.9m
Net per share	1.80	0.69
Nine months		
Revenue	477.9m	467.7m
Net profits	23.4m	24.7m
Net per share	1.62	1.71

CANADA DEVELOPMENT
Investment holding co.

First quarter	1984 $	1983 $
Revenue	1.01bn	967.9m
Net profits	1.4m	†33.8m
Net per share	†0.28	†1.19

†Loss

CANADA PACKERS
Food processing

Year	1983-84 C$	1982-83 C$
Revenue	3.18bn	3bn
Net profits	25.3m	20.9m
Net per share	2.10	1.75

COMBINED INTERNATIONAL
Insurance

First quarter	1984 $	1983 $
Revenue	312.2m	309.5m
Op. net profits	29.8m	27.8m
Op. net per share	0.90	0.85

CRANE
Industrial products

First quarter	1984 $	1983 $
Revenue	177.5m	164.1m
Net profits	1.9m	10.1m
Net per share	0.18	0.97

ELECTRONIC DATA SYSTEMS
Business information systems

Third quarter	1983-84 $	1982-83 $
Revenue	199.4m	168.2m
Net profits	18.1m	14.9m
Net per share	0.32	0.27
Nine months		
Revenue	565.4m	467m
Net profits	52.4m	42.6m
Net per share	0.93	0.76

EMERSON ELECTRIC
Electrical, electronic prds.

Second quarter	1983-84 $	1982-83 $
Revenue	1.05bn	884.8m
Net profits	91.2m	78.9m
Net per share	1.33	1.15
Six months		
Revenue	1.98bn	1.7bn
Net profits	171.8m	151.4m
Net per share	2.51	2.21

FOSTER WHEELER
Process plant

First quarter	1984 $	1983 $
Revenue	321.5m	350.3m
Net profits	8.4m	12.1m
Net per share	0.25	0.36

GENERAL PUBLIC UTILITIES
Electric utility holding co.

First quarter	1984 $	1983 $
Revenue	693.1m	648.9m
Net profits	33.3m	12m
Net per share	0.53	0.20

INT. FLAVORS AND FRAGRANCES
Flavourings

First quarter	1984 $	1983 $
Revenue	123.5m	121.5m
Net profits	18.7m	18.4m
Net per share	0.51	0.50

LOEWS
Insurance, cigarettes, hotels

First quarter	1984 $	1983 $
Revenue	1.28bn	1.32bn
Op. net profits	52.8m	87.7m
Op. net per share	1.95	3.12

MCA
Films, records, retailing

First quarter	1984 $	1983 $
Revenue	392.4m	430.9m
Net profits	21m	39m
Net per share	0.43	0.81

NORTHWEST AIRLINES
Passenger carrier

First quarter	1984 $	1983 $
Revenue	542.5m	451.9m
Net profits	1.04m	†20.9m
Net per share	0.05	†0.96

†Loss

PAN AMERICAN
Airline

First quarter	1984 $	1983 $
Revenue	879.6m	837.6m
Net profits	†70.3m	†79.6m
Net per share	†0.68	†0.97

†Loss

READING & BATES
Offshore drilling

First quarter	1984 $	1983 $
Revenue	92.3m	227.7m
Net profits	3.3m	15.8m
Net per share	0.02	0.51

SOUTHLAND
Convenience stores

First quarter	1984 $	1983 $
Revenue	2.87bn	1.71bn
Net profits	14.3m	7.72m
Net per share	0.30	0.21

TEXACO CANADA
Oil refining

First quarter	1984 $	1983 $
Revenue	1.68bn	1.28bn
Net profits	119m	96m
Net per share	0.96	0.61

TOSCO
Diversified energy co.

First quarter	1984 $	1983 $
Revenue	407.5m	725.1m
Net profits	28.9m	48.6m
Net per share	1.65	2.64

THE LIMITED
Women's clothing stores

First quarter	1984 $	1983 $
Revenue	270.5m	23[illegible].5m
Net profits	13.6m	9.9m
Net per share	0.23	0.17

TURNER BROADCASTING SYSTEMS
Cable TV

First quarter	1984 $	1983 $
Revenue	54.9m	44.5m
Net profits	†5.31m	2.0m
Net per share	†0.26	0.10

†Loss

TRAVELERS
Insurance

First quarter	1984 $	1983 $
Revenue	3.2bn	3.1bn
Net profits	68.4m	76m
Net per share	0.82	0.90

U.S. INDUSTRIES
Industrial, consumer products

First quarter	1984 $	1983 $
Revenue	304m	282.6m
Net profits	10.6m	8.6m
Net per share	0.48	0.38

Canada's securities houses bow before the winds of change

BY BERNARD SIMON IN TORONTO

THE WINDS of change presently buffeting the British and U.S. securities industries are gusting through another of the world's major financial markets, Canada.

Rapidly mounting pressures on Canadian brokerage houses to seek new allies, expand into new areas of business and, at the same time, protect their home turf were clearly evident in last month's announcement that two of Toronto's leading investment dealers, Dominion Securities Ames and Pitfield Mackay Ross, are to merge on June 1. The combined concern, to be known as Dominion Securities Pitfield, will have a capital base of over C$100m and a far-flung international network.

The same pressures are reflected in an investigation launched last week by the Ontario Securities Commission into present restrictions on the ownership of Canadian brokerage firms, by other domestic institutions and by foreign groups. A Federal Advisory Committee, set up by the Finance Ministry, is also examining the organisation and regulation of Canada's financial system.

These moves, and others likely to follow in the months ahead, will almost certainly result in some lowering of the protectionist walls which presently shield the Canadian securities industry. Foreign involvement in the Toronto and Montreal financial markets is likely to grow, while Canadian traders, with more muscle than they have now, will probably expand their operations in other countries. Finally, the separation between the investment dealers and other financial institutions will become increasingly blurred, though not to the same extent as in London or New York.

Canada's investment dealers, about 100 in all, are a unique breed. They are best likened, in British terms, to a hybrid of stockbroker and merchant bank. As underwriters of North American corporate debt and equity instruments, concerns like Wood Gundy and Dominion Securities Ames are respected players in international capital markets. They have also helped make the Canadian market one of the most active and efficient of its size in the world.

In addition, the dealers provide services in stock and bond trading, the money market, commodities and financial futures. Many have substantial and respected research departments. The combined capital of members of Canada's Investment Dealers Association was C$697m (U.S.$540m) at the end of last year, and the houses employed almost 20,000 people.

Several fundamental changes in the way the Canadian dealers do their business and the environment in which they operate have prompted the present re-assessment of the entire securities industry. According to Mr George Howard, chairman of the Investment Dealers Association: "There's a lot of worry around that we've got to be careful not to become dinosaurs in a changing world."

Easier placements

As in other countries, the amount of savings channelled to institutional investors in Canada has risen rapidly. The private placement market has expanded, with individual institutions now able to take much larger chunks of new issues. This, in turn, has made it easier for investment dealers to place the securities which they underwrite, and has encouraged individual houses to underwrite larger slices of each issue.

A key reason for mergers such as the Dominion Securities/Pitfield deal is to strengthen the underwriting capability of individual concerns by expanding their capital bases. The traditional pattern of a group of dealers underwriting and distributing new issues as agents has recently been broken. In a number of cases, one investment dealer has bid for the entire package as a principal, offering in return to cut the normal commission by up to two thirds. The most publicised deal of this kind was concluded last month, when Daly Gordon Securities took up an entire C$200m preferred share issue by Royal Bank.

Competition among investment dealers has intensified in other areas of their business too. Brokerage commissions are now negotiable, and price is an important factor in securing the business of institutions like the Toronto-Dominion Bank, which since February has been allowed to offer customers access to discount brokerage services.

Daly Gordon Securities has been at the cutting edge of another facet of the liberalisation trend. It recently proposed setting up a new kind of investment dealership as a joint venture with Banque Bruxelles Lambert, though this has been blocked for the time being by the Toronto Stock Exchange. The partnership would concentrate on institutional business, and thus be exempt from registration with the Ontario Securities Commission, which allows non-registered firms to trade with "sophisticated classes of the investment public." If this partnership had been allowed to go ahead, BBL would have been able to sidestep the present 25 per cent ceiling on foreign ownership of an investment dealer, including a maximum of 10 per cent held by any single investor.

The proposal illustrates, in the words of the Ontario Securities Commission, "the sophistication of participants in the Canadian securities industry, who are aggressively seeking access to capital as well as other resources, expertise and business opportunities by developing new relationships internationally."

To add to pressures coming with the increasingly competitive spirit in the Canadian securities industry, trading on the country's main stock exchange has tailed off sharply in recent months. The value of shares traded on the Toronto Stock Exchange in April was 28 per cent below March's levels and the same amount lower than April, 1983. The growing urgency of containing overheads and pooling resources is widely expected to lead to further mergers such as the Dominion Securities / Pitfield deal, as well as to intensify efforts by some houses to seek strong partners outside the brokerage industry and beyond Canada's borders.

Nervous dealers

As the almost inexorable shift towards more foreign participation and greater involvement by banks and other institutions in the securities industry goes on, the investment dealers are nervous about what the future holds. "If something is working, why change it?" asks Mr Robin Younger, chairman of the Toronto Stock Exchange who will also be the chief operating officer of Dominion Securities Pitfield.

The investment dealers insist that they are small fish in a shark-infested sea. While the largest investment house in the U.S. has more equity capital than the biggest bank, in Canada the combined capital of the entire securities industry is much smaller than Toronto-Dominion Bank, the smallest of the Big Five banks. Canadian banks have around 7,000 retail outlets: the investment dealers only 450.

The securities industry is concerned that Toronto-Dominion and other banks quietly offering discount brokerage services may next try to muscle in on share trading and investment advice. They argue that banks will expose themselves to severe conflict of interest problems if they begin underwriting corporate issues, and that they will quickly dominate the market. Likewise, total abolition of the foreign ownership rules would expose Canadian markets to the control of U.S. institutions which, the dealers fear, would put the U.S. interest before Canada's.

On the other hand, the Canadians appear realistic enough to recognise an irresistible force when they see one. Some relaxation of existing rules and realignment of interests seems inevitable.

CANADA'S LEADING INVESTMENT DEALERS

	Capital Total C$m	Shareholders End 1982 C$m	Employees
Dominion Securities Ames†	54.7	42.7	1,198
Wood Gundy	54.0	51.0	1,311
Richardson Greenshields	46.9	37.2	2,174
Merrill Lynch Canada	39.6	35.6	1,139
Burns Fry‡	37.6	28.6	805
Pitfield Mackay Ross†	35.2	30.2	808
McLeod Young Weir	30.7*	n.a.	n.a.
Nesbitt Thomson Bongard	27.3	24.8	890
Midland Doherty	26.6	26.6	1,179
Walwyn Stodgell Cochran Murray	12.2	7.8	594

* July 31 1982. n.a. not available.
† Dominion Securities Ames and Pitfield Mackay Ross are to merge on June 1.
‡ It was announced on Tuesday that Burns Fry is to acquire Jones Heward of Montreal to form a company with a capital of some C$50m.
Source of table: The Financial Post, Toronto "500"

Accountancy Appointments

Financial director

Norfolk, £20,000 neg + car

C&L

For a long established subsidiary of a plc, a supplier of equipment to agricultural and allied industries with an excellent international reputation for the quality of its products. Turnover £15m.

Reporting to the Managing Director you will be responsible for advising him on all commercial aspects of running the business as well as directing the financial and company secretarial functions. Key tasks include profit planning, pricing strategies, cost reduction, asset management and the further development of information and inventory systems.

A mature, qualified accountant you must have had several years' financial and management accounting experience in a production environment and be able to hold your own with numerate and financially aware colleagues.

Assistance with relocation costs.

Résumés including a daytime telephone number to B S Grossman, Executive Selection Division, Ref. GF014.

Coopers &Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ

Special Investigations

C£17,000 + Car

This is an opportunity for a Graduate Chartered Accountant with several years successful post qualifying experience in the profession to take a challenging and stimulating position in industry.

The client company is a large scale and dynamic UK multinational with extensive manufacturing and contracting interests in electrical, electronic and general engineering. The special investigations position will be as a member of a small high calibre team drawn from various disciplines which is responsible for review and investigation of major issues affecting the Group. The diverse range of projects are reported at main board and senior executive level.

Candidates, in their latter 20's, should have a successful record to date together with the ambition and drive to succeed in a demanding industrial environment.

Applicants should be available to be based in either Central London or South Hertfordshire. Relocation assistance is available where necessary.

Please apply in confidence, quoting ref. L113, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Financial Controller

up to £20,000 — london

For a recently established private hospital a Financial Controller aged 30-35 is required.

He/she will be a qualified accountant supported by an accounts manager and back-up staff and will be responsible to the Chief Executive for all financial functions. Familiarity with computerised accounting systems is essential and work in a hospital environment will be advantageous. Experience in the control of an accounts department is an essential requirement.

Salary is negotiable, up to £20,000 according to experience and a car will be provided.

Applications to Bernard L. Taylor quoting reference 6707.

Mervyn Hughes
Alexandre Tic
(International) Ltd.

MH AT

37 Golden Square,
London W1R 4AN
01-434 4091

Career opportunity with large multi-national

MANAGEMENT ACCOUNTANT

London — £15,000 + and benefits

A leading organisation within the tobacco manufacturing industry wishes to recruit a Management Accountant for an important accounting function designed to provide senior management with a full and varied management accounting service.

The successful candidate will be a qualified accountant, aged between 27 and 33 years, who can clearly demonstrate a proven track record in the field of management accounting, preferably within a manufacturing environment. Experience of computerised accounting systems and the use of micro-computers would be advantageous.

The head office of the company will be relocating to the Weybridge area in approximately two years time.

Written applications containing career details should be forwarded, in confidence, to Robert N. Collier at our London address, quoting reference number 4579.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants

Financial Controller

High Wycombe — c.£18,000 + car

Our client is an international group specialising in a range of products in the high technology field with an annual turnover of £20 million. A recent reorganisation of its UK subsidiary, and expansion of the product range has resulted in an impressive order book with positive plans for future growth. Consequently a Financial Controller is now required to be part of the development programme.

Reporting to the Managing Director, this new appointment will encompass full responsibility for the total finance function. Applicants, aged 30–40 will be qualified accountants with previous experience in a managerial role. Good communicative skills together with previous exposure to an export environment is essential as 70% of the product range is exported.

Promotion into a general management role and a subsequent board level appointment is envisaged and the attractive remuneration package will include future participation in a profit share scheme.

Candidates should write, enclosing a comprehensive curriculum vitae to Nigel Hopkins FCA, Executive Division, quoting ref. 123, at PO Box 143, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

UK Financial Controller

West London — Up to £18,000 + car

Our client, an established European company with headquarters in Switzerland, specialises in the production of office furniture and shop and display equipment. Having successfully operated in the UK for a number of years from their European bases, they are now committed to setting up operations within this country.

As part of their plans there is a need for a Financial Controller to help in the setting up, running and growth of the UK company. Duties will be varied including managing all the UK accounting functions as well as supervising the logistics of supply and distribution and administration procedures within the UK company.

The person chosen will be a qualified accountant, probably chartered, aged below 35, who can display a successful track record within a commercial environment. The ability to 'roll up one's sleeves' and deal with day to day problems is essential. There will be some travel to Germany/Switzerland involved and therefore an understanding of German would be useful but not essential.

This is an exciting opportunity to become an integral part of a new company. Prospects are excellent and could lead to eventual Directorship.

RR

Applications with full CV should be sent to:
Miss Penny Alison, Director of Personnel,
Robson Rhodes, 186 City Road, London EC1V 2NU

Chief Accountant

to £17,500 + car
London, NW1

Our client is the U.K. subsidiary of one of the largest manufacturers of office equipment worldwide. As a result of continued rapid expansion in the U.K., the opening of branch offices and plans for product diversification, they now wish to strengthen the financial management by recruiting a chief accountant to be directly responsible to the financial director.

The prime tasks involve the provision of financial and management information including accurate and timely accounts and statistical data to management to help maintain tight financial control over their rapidly expanding activities, the control of stocks and debtors, and the further development of the use of computers as an aid to financial information.

Candidates, qualified and preferably aged 38-45, should have broad experience of working in a vigorously growing, sales-orientated, leasing and financial business with an entrepreneural management team. The salary is negotiable to £17,500 p.a., plus car, pension scheme and BUPA.

Applicants should write in complete confidence giving full details of previous experience and current salary, and quoting reference CS/106 to:-

CURZON SEARCH

EXECUTIVE RECRUITMENT CONSULTANTS
PO Box 23 Haslemere, Surrey, GU27 3RY.

Financial Controller

Saudi Arabia — £20-25,000 tax free (Payable in Saudi Riyals)

Our client, an American multinational with sales in excess $1 billion, is a market leader in the manufacture of electrical equipment and, more recently, advanced technology products. Committed to further growth both through expansion of existing facilities and by acquisition, a new manufacturing plant was opened in Saudi Arabia in 1983.

Now fully operational, a Financial Controller is required to further strengthen the management team. Reporting to the Managing Director, key areas of responsibility will be the production of management accounts, standard/job costing, budgetary control, inventory management and the installation of a computer. This would be a three year contract and prospects for further career development within the group are good.

Candidates, married or single, aged up to 40, should be qualified Accountants with a thorough understanding of manufacturing industry and the ability to contribute to the successful management of the company.

In addition to the generous tax free salary, fringe benefits include car, accommodation, full medical cover, 24 days holiday plus statutory Saudi Arabian holidays, annual return travel to the UK and assistance with children's educational expenses.

Please telephone, or write briefly, for personal history form quoting ref: TA 1307 to Nigel Murray, Regional Manager.

Management Personnel
Recruitment Selection & Search
Shaw House, 2 Tunsgate, Guildford, Surrey.
Telephone: (0483) 65566 (out of hours (0730) 67806).

INDEPENDENT OIL TRADING & SHIPPING COMPANY

ACCOUNTING MANAGER
CENTRAL LONDON

Requires trained accountant for the group's two U.K. based companies. The successful applicant will head up a small operations and accounts team, responsible for the production of statutory and management accounts, tax returns and financial controls for the London office of this successful international group. Emphasis will be placed upon practical experience rather than professional qualifications but candidates must be capable of independently managing and performing all aspects of the accounting function. Previous experience of computerisation desirable.

Salary negotiable dependent upon age, qualifications and experience but fully in line with current industry levels.

Apply with c.v. to Box A8595, Financial Times 10 Cannon Street, London EC4P 4BY

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DEPARTMENT OF BUSINESS AND PROFESSIONAL STUDIES
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Applications are invited for a post in accountancy. The successful candidate must be a graduate with proven ability to teach financial and cost accounting. In addition, he or she should have competence in the application of information technology to the teaching of accountancy and desirably, will offer an understanding of taxation in a financial management context at degree level. Candidates should demonstrate a firm commitment to research in a main area of accounting or business studies.

Salary: £7,215-£10,683 (efficiency bar) — £12,568 (work bar) — £13,443 per annum.

The salary on appointment will be no greater than £11,568 per annum. All appointments are made on the clear undstanding that duties may be varied from time to time according to the needs of the Polytechnic. Thus, versatility is a necessity in all appointments.

Successful applicant to take up appointment no later than 1 September 1984.

Closing date for applications: 23 May 1984

Further particulars and application forms are available from the Personnel Section, Teesside Polytechnic, Borough Road, Middlesbrough TS1 3BA. Telephone: (0642) 218121, Extension 4114.

SNR. ACCOUNTANT REINSURANCE CO.

Qual/Non Qual. Age open. Up to £20,000 plus car. In-depth experience req. in Tech. Tty. A/cs., Credit Control, Mgt./Fin. A/Cs. I/c 10 staff in substantial London Mkt. Co.

Contact Andrew Moore, ACII, Moore & Weeks Ltd. (Rec Cons) 52/57, Mark Lane, EC3R 7QD. 01-481 1506.

Chief Accountant

Worcester — c£14,000 + Car

Morganite Crucible Limited is a highly successful subsidiary of a major international group. The Company is a world leader in its own specialist field of high technology products, exporting 65% of its £17m turnover.

Reporting to the Director responsible for finance and purchasing, the candidate must be capable of acting on their own initiative. Responsibility is for the entire financial function, managing three qualified accountants among the 22 staff and using modern data processing systems.

The style of the Company demands an ability to work under pressure and an affinity for a "shirt sleeve" approach when required.

Applicants must be qualified accountants in their late twenties or early thirties, preferably with a degree and post qualification experience in industry or commerce. They must be ambitious, committed and commercially aware.

The position offers an excellent opportunity for career progression in a demanding professional environment. In addition to an attractive salary, benefits will include a 1.6 litre company car, bonus scheme and generous assistance with relocation to an attractive rural area.

Morgan — Candidates should write enclosing full details to Mr R. W. Duggan, Finance Director, Morganite Crucible Limited, Norton, Worcester WR5 2PU.

Accountancy Appointments

Management Accountant

High Wycombe

c.£12,500 + Car

Volvo Concessionaires Limited is the highly successful importer and distributor of Volvo cars and parts in the UK. Our annual turnover exceeds £300 million and we have *almost doubled our market share in the last five years.*

We are now looking for a qualified Accountant, to be responsible to the Group Financial Accountant, for a small team providing a management accounting service at our Head Office in High Wycombe.

Responsibilities are wide ranging with particular emphasis on the accounting needs of our Marketing Department and our corporate foreign exchange requirements.

Applicants, male or female, will be qualified accountants in their late twenties, preferably graduates, with a minimum of 3 years commercial experience gained in a computerised environment.

Conditions of employment are excellent and include Company Car, 28 days annual holiday, BUPA, non-contributory pension, sickness and personal accident scheme. Assistance with relocation will be given where appropriate.

Please send full personal and career details to: Sally Cockbaine, Recruitment and Training Manager, Volvo Concessionaires Limited, Lancaster Road, High Wycombe, Bucks, HP12 3QE.

VOLVO

Financial/Commercial Director

East Midlands **c £20,000 + car + bens**

Our client is a profitable wholly owned subsidiary of a major UK based multinational group. Having a turnover of approximately £20 million, the company is a market leader in the field of medium/heavy engineering at home and overseas. They now seek a high-calibre qualified accountant to join the senior management team.

Reporting to the subsidiary's Managing Director, responsibilities will include contract negotiation, the development of sophisticated Management Information Systems, corporate planning and the provision of broad-based financial advice.

Candidates, (aged 32–36) will have proven industrial experience in a manufacturing/engineering environment. Familiarity with computerised systems is essential. An entrepreneurial outlook is also required as this high level appointment demands that operations be viewed from a totally commercial as well as financial standpoint.

This challenging role commands a highly competitive salary package including a fully expensed executive car and generous relocation expenses where appropriate.

Candidates should write to Dean Gollings, enclosing a comprehensive curriculum vitae, quoting ref B6159, at 24 Bennetts Hill, Birmingham B2 5QP.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

Finance Director

Southern England **c£35,000 + car**

Our client has enjoyed a continuing pattern of growth through international development and acquisition.

A Finance Director is now sought for a major subsidiary, (current turnover £25 million) which has significant interests in the field of defence equipment.

Applicants, unlikely to be aged under 35, will have first hand experience of liaising on a contractual basis with the M.o.D.; consequently technical expertise and numeracy are absolutely vital.

Candidates should write to Nigel Hopkins, FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 124, at PO Box 143, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

Financial Director

South Yorks. **to £20,000 + car etc.**

Our client is a well established, profitable manufacturer of high quality components to the automotive industry. The company, part of a major UK quoted group is proud of its reputation in this field.

The Financial Director will report to the Managing Director and be a key member of a strong management team. The successful candidate will accept immediate responsibility for the total accounting function and be capable of meeting strict pre-established financial deadlines. A sound career profile gained within a high volume manufacturing environment is an important pre-requisite as is an above average knowledge of computerised accounting systems.

Candidates will be qualified accountants (ACMA, ACA, ACCA) aged 35 to 45, with sound technical skills combined with real commercial flair. A knowledge of a European language will be an added bonus.

In addition to an excellent commencing salary, a quality company car and other attractive benefits are offered to a hardworking, committed individual who is seeking a long term career appointment.

Ref: 84/877 FT

Apply in the first instance to
Brian R. Daniels, Daniels Bates Partnership,
Josephs Well, Hanover Walk,
Park Lane, Leeds LS3 1AB.
Tel: (0532) 461671 (5 lines).

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

As one of the top tour operators in the UK, Rank Travel Limited is naturally a highly successful and complex commercial operation, where there is considerable emphasis on effective financial control. We rely on a totally professional service to support our activities, and the following two positions will both be integral in meeting this demand.

Senior Systems Accountant
£13–£15k

To become involved in the specification, testing and implementation of a fully integrated online range of computerised tailored accounting modules – something for which you will already have gained a strong track record. You will ensure that this major development objective is achieved and then take total responsibility for control, security and computer related files, simultaneously co-ordinating the introduction of mainframe accounting systems, user procedure manuals and the audit of overseas offices.

A graduate and qualified accountant, preferably ACA, you will be identified by a sound audit background and a high degree of professional skill and motivation.

Senior Management Accountant
£13–£15k

ACMA or ACCA qualified, you will have a strong background in management accounting, ideally gained in a sophisticated systems environment with exposure to PC's and techniques from Spread Sheets to mainframe financial modelling.

Your prime role will be to provide comprehensive management information packages and develop the mainframe and micro reporting systems. Supervising a large team you will also control the production co-ordination and review of budgets, monthly management accounts and forecasts, liaising closely at top level throughout the company to ensure the desired results.

We're looking for a *significant contribution in both these areas, and we'll reward it well.* The attractive salaries are coupled with a substantial range of benefits including generous holiday concessions, and the personal and professional scope is excellent.

If you're in your late 20's–30's, are free to honour occasional overseas travel commitments, take on the challenges, please write, with a detailed c.v. to Mr Dennis Roberts, Personnel & Administrative Services Manager, Rank Travel Limited, Travel House, High Road, Broxbourne, Herts. EN10 7JD.

Rank Travel

FINANCE DIRECTOR (Designate)

W. London **£20 – 25,000 + car**

A commercially orientated financial executive is required by a profitable, rapidly expanding cosmetics and toiletries company which intends to seek a listing within the next two years.

The Finance Director (Designate) will report to the Managing Director and play an active role in the management team. Responsibilities will cover all aspects of the finance and data processing functions. Accounting, sales order processing and stock control systems are computerised on a mini.

Applications are invited from qualified accountants in their mid/late thirties with relevant experience gained in small to medium sized companies. Bonuses, which are paid twice a year, will add c. 25% to a basic salary in the region of £20,000 and an executive car will be provided.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2167, to G.J. Perkins, Executive Selection Division.

Touche Ross & Co.
Hill House 1 Little New Street London EC4A 3TR Telephone: 01-353 8011

David Grove Associates
Bank Executive Recruitment
60 Cheapside London EC2V 6AX
Telephone 01-248 1858

ACCOUNTING IN BANKING

SENIOR ACCOUNTANTS — FINANCIAL CONTROL **£18000-£25000**

We are retained by prestigious international and *Merchant Banks to recruit 2 qualified* Chartered Accountants with previous experience in banking or investment either in a line accountancy role or audit.

Candidates will be required to demonstrate a thorough understanding of foreign exchange accounting and be fully at home in a computerised *environment. Man-management potential* is important.

MANAGEMENT ACCOUNTING **£12000-£14000**

We are handling a number of assignments with important international banking institutions who *wish to recruit recently qualified* accountants, preferably with some bank audit experience, to fulfill management accounting roles in the City.

It is not envisaged that these appointments will lead to corporate finance or practical banking roles in the future. However, there would be considerable potential for promotion within the management *and/or financial* accounting areas.

Please apply in confidence to David Grove or Bryan Sales in writing or by calling 01-248 1858

Control, Investigation and Performance Improvement

CWS Manchester · Salary negotiable *from £17,000 plus car*

The Co-operative Wholesale Society is manufacturer, wholesaler, and provider of services to the Co-operative Movement. It also acts as a direct retailer not only of food and domestic goods, but also in a wide range of services such as optical supplies, funeral furnishing and hotel and travel. Supplying goods and services worth over £2 billion a year with assets of more than £300 million, and employing 20,000 people, it is a very significant employer.

A Chief Internal Auditor is required to manage the 30-strong financial and computer audit department. This is a key appointment in the Society's top financial *management team and offers scope for further* development for the right candidate.

The jobholder will have to appraise internal financial controls, review new and existing computer systems, develop relationships with external auditors and also be expected to initiate action to improve business efficiency.

Ideally, candidates, male or female, will be qualified accountants. They could be experienced audit managers from the profession, age early/middle 30's with some direct industrial or commercial company experience, or seasoned commercial accountants in their 40's or early 50's. The ability to lead is an essential requirement.

Salary negotiable from £17,000 plus 2 litre car and other benefits including relocation assistance. The CWS is an equal *opportunities* employer.

Please write – in confidence – with full career details to D. A. Ravenscroft at Bull, Holmes (Management) Limited, 20 Albert Square, Manchester M2 5PE.

Bull Holmes
PERSONNEL ADVISERS

GROUP FINANCE EXECUTIVE

Gatwick, Sussex ***Salary – circa £20,000***

The Caledonian Aviation Group requires to appoint an additional executive *to join the small team in its Group Finance Department. This is a new position* which arises due to the continued expansion of the Group which has created the need for additional expertise in the field of asset financing and leasing, company acquisitions/disposals and the need to supply financial advice on a wide range of commercial matters to subsidiary company Boards.

We are keen to receive applications from qualified chartered accountants likely to be in their late twenties currently employed by Banks or leasing organisations dealing with the aerospace industry, but applications indicating other relevant skills and experience will be considered.

The Group, whose major subsidiary is British Caledonian Airways, is on the verge of further substantial expansion and the position is therefore likely to be both challenging and personally satisfying. The department is based at the Group's headquarters in Crawley, Sussex, but the need to work in London and abroad will arise from time to time.

An attractive remuneration package will be offered.

Please write enclosing a full c.v. to: Group Finance Director, The Caledonian Aviation Group plc, Caledonian House, Crawley, West Sussex RH10 2XA.

The Caledonian Aviation Group

FINANCIAL CONTROLLER
CITY OF LONDON

We are a well established International Brokerage Company and require a Financial Controller to set up and run a new Branch. ECGD and Banking experience are essential. Age mid 30's to mid 40's. Fluent German would be advantageous but not essential. Excellent career prospects and salary.

Please telephone 248 0762 or 236 4407 for appointment

Financial Planning

E Midlands **c£14,000 + car**

With interests in consumer products and leisure activities producing a multi million turnover our client is a household name. It is based in an attractive area offering excellent recreational facilities.

A key position in the Headquarters' Financial Planning department has become vacant as a result of promotion; through involvement in the medium term planning system, it provides an excellent introduction to the group.

A business minded graduate accountant aged 24-28 is required to fill this position.

Future opportunities at group level or in a line function are attractive and the package, including assistance with relocation if necessary, offers all the benefits associated with a large organisation.

Contact John P Sleigh FCCA on 01-405 3499 quoting ref J/83/PA

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

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Accountancy Appointments

Treasurer

c.£19,000+car+ excellent package

Edinburgh

Our client is a successful, expanding life assurance company, with several subsidiaries providing a wider range of financial services, and is part of a major international group.

The continuing development of the business calls for the new appointment of a Treasurer, who will be responsible for the development and monitoring of cash flow forecasting and for managing investment accounting, utilising comprehensive on-line computer facilities, within the United Kingdom.

Candidates should be qualified accountants, with sound commercial experience gained either in the financial sector or within the finance function of a significant public company, where the disciplines of computer-based accounting systems have applied. It is considered that the position of Treasurer offers an opportunity for long-term career prospects.

The excellent and progressive remuneration package offered includes non-contributory pension and life assurance benefits, permanent health insurance, and concessionary mortgage arrangements. Relocation expenses will be available if appropriate.

Please apply, in confidence, with details of your career, quoting Ref 5500 to Brian Jones, Personnel Selection Division,

Thornton Baker Associates Limited, Brazennose House, Brazennose Street, Manchester M2 5AX.

Interviews will be held throughout the U.K.

Finance Director

Age 28-32 **c£24,000+Car+Benefits**

This is an outstanding opportunity for an exceptional accountant to join the young aggressive team of operational directors of a rapidly developing business group. Within the current year, the company will instigate a multi-million £ investment programme to develop new business units within a nationwide chain and joint venture projects in Europe.

Reporting to and working closely with the Managing Director, you will develop a high quality financial planning and advisory service, optimizing use of the latest proven technology and motivating a small centralized team of management accountants and analysts. Major tasks include:

- **Drive and Co-ordinate the 3 Year Business Plan.**
- **Manage Incentives for Business Unit Managers.**
- **Identify key business trends.**
- **Manage the investment programme.**

The division is part of a major British Group, whose turnover is c£1,000 million. Within a two to three year period there will be personal development prospects in finance and general management.

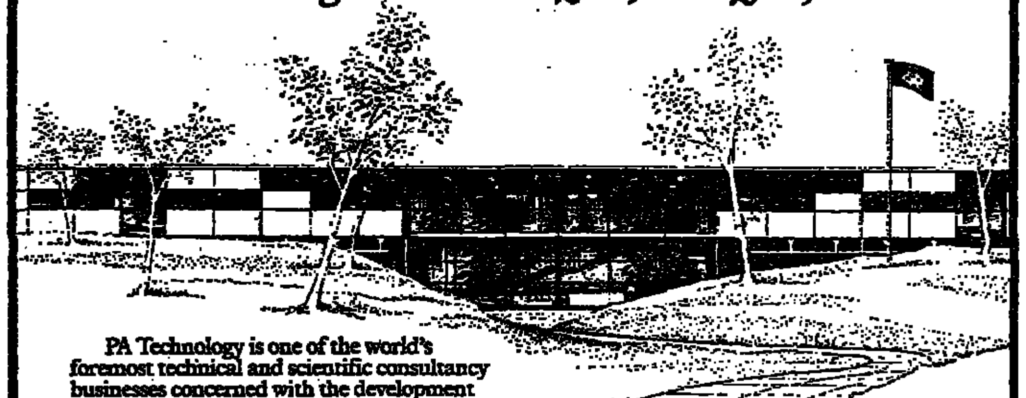
Preference will be given to ACMA/ACCA with degree or MBA, who can demonstrate success at a senior management level within a fast-moving environment, ideally in distribution, foods or leisure activities. Relocation assistance will be provided to take up this appointment in the Northern Home Counties.

Please call Bill Curteis BA.

Personnel Resources
75 GRAYS INN ROAD, WC1X 8US 01-242 6321

Systems Accountant

Cambridgeshire £12,000-£15,000



PA Technology is one of the world's foremost technical and scientific consultancy businesses concerned with the development of new products and processes in such fields as electronics, mechanical engineering, biotechnology, laser systems, etc.

Our business is conducted from laboratories in the UK, Australia, Belgium and the USA, and continued expansion at our Cambridge Laboratory has created a vacancy for a young qualified accountant.

Reporting to the Financial Controller, the successful candidate will be part of a small team developing our accounting and financial information systems and will also participate in the day-to-day management of the accounting group.

An attractive salary will be offered, together with benefits which include 23 days' annual holiday and private medical insurance.

To apply, please send a full cv or telephone for an application form, to: the Personnel Department, PA Technology, Cambridge Laboratory, Melbourn, Royston, Herts SG8 6DP. Tel: (0763) 61222.

PA Technology
Cambridge Laboratory
1979

Finance Director

Electronics c.£25,000

A recently acquired high-growth electronics subsidiary of a dynamic UK industrial Group seeks a FD. This is an independent total finance role with a brief to improve controls and systems to keep pace with turnover growth (already c.£15m.). Car, bonus and equity are offered. Location, S.E. Wales.

Candidates must be qualified accountants with controllership experience in an autonomous profit centre. Evidence of personal contribution to past environments is essential. Age: say 33-45. We require financial managers with past involvement in complex production accounting and a capacity to communicate well.

For full job description write in confidence to J. Courtis at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting 809/FT.

JC&P
John Courtis and Partners

INTERNATIONAL FERRY FREIGHT LIMITED

FINANCIAL CONTROLLER DIRECTOR DESIGNATE

IFF is a leading and highly profitable European Container Operator and is a subsidiary of the United Transport Company—a part of the British Electric Traction Group.

The company is seeking a commercially orientated qualified accountant with strong managerial and organisational abilities, to head its financial and administrative functions. The appointed candidate will report direct to the Managing Director and it is expected that a successful performance will lead to an early appointment to the Board.

Salary is negotiable but will be in line with the importance and seniority of the position. Benefits include company car, free BUPA membership and a contributory pension scheme. Generous assistance is available, if required, for relocation.

Please send comprehensive career details including salary history to:

Managing Director
INTERNATIONAL FERRY FREIGHT LIMITED
Whiterock House
Southend Arterial Road
Harold Wood, Romford, Essex RM3 0XJ

ACCA·ACA·ACMA

Finalist or Newly Qualified?

From £13,000pa + Comprehensive Benefits. A major career opportunity in Internal Audit with a leading international bank.

One of the most respected corporate banks in the world, Morgan Guaranty is also one of the largest, with assets exceeding $50 billion. We have branches in every major financial centre of the world and are known as a market leader with an innovative reputation in many financial areas.

Our UK Internal Auditing Division is a vital part of the bank and we have created a new position to give us the benefit of additional expertise. The division covers every area of the bank and therefore, you will be exposed to all the different functions of it.

You will be fulfilling both an analytical and development role. Analysing and reviewing systems in depth for their integrity, and equally important, making recommendations for improving and developing computer systems and updating operational controls. You will be part of a small professional team responsible directly to a senior member of the London Office.

To be considered, you will need to be able to demonstrate experience at a responsible audit level within a major bank; multi-national company, or leading firm of accountants. We will be looking for the ability to communicate with all levels of management both orally and in writing. We will expect you to make an active contribution to the efficient functioning of the bank.

The salary is enhanced by a very attractive range of benefits which includes a profit-sharing bonus, a mortgage subsidy, BUPA and non-contributory pension and life insurance plans.

This is a high profile appointment which involves constant contact with top management giving you exceptional opportunities for career development within the bank.

Please telephone for an application form on 01-555 3111 ext. 2746 or ext. 2748, or write with a full c.v. to Peter J. Mills, Head of Recruitment & Personnel Relations, Morgan Guaranty Trust Company of New York, PO Box 161, 1 Angel Court, London EC2R 7AE.

The Morgan Bank

imhof Chief Accountant

Manufacturing W. Middx. c. £14,000 + CAR

Imhof-Bedco Ltd, a subsidiary of a publicly quoted group, supplies enclosures to the electronics industry in both domestic and export markets.

As a senior member of the management team, the Chief Accountant will be involved in several major new projects within the systems and financial control areas, in addition to having responsibility for the day-to-day running of the Finance Department and providing financial management services to a foreign subsidiary. The reporting line is to the Finance Director with close liaison with other directors and managers.

The successful candidate will be a qualified accountant, ideally aged between 27 and 35 who can demonstrate the ability to work in a demanding environment and contribute to the commercial management of the company. Experience of standard costing would be preferred.

The remuneration package includes a fully expensed company car.

Write in complete confidence to:
D. R. Blackwell as adviser to the Company
Donald Blackwell & Associates
2 Clarence Road, Windsor, Berkshire SL4 5AD

GROUP FINANCIAL CONTROLLER

City c. £16,000 and car

Reporting directly to the Director of Finance, a qualified accountant is required to join the small head office of a multi-million dollar international Group, which manufactures specialist electronic components, has production facilities in Europe and North America and is a market leader in its sector.

The Group Financial Controller will be involved particularly with consolidation, preparation of accounts on a combined basis, banking and cash management. Candidates must also be able to demonstrate previous experience of working in a commercial environment, perhaps internationally. Knowledge of US accounting principles would be most useful.

On the personal level, candidates must be resilient, be prepared to travel overseas for about five days a month and have well developed inter personal skills. Age range preferably 30 - 35.

An attractive benefits package, including car, pension and health insurance is for discussion.

Please send full career history, in total confidence to:
Nicholas Potter, quoting reference 131/FT,
Mainstay Management Services Limited,
34 York Street, Twickenham, Middlesex TW1 3LJ
Tel: 01-891 3301

MAINSTAY
Management Services

GROUP FINANCIAL CONTROLLER

North West
(Financial Controller designate)
Salary circa £20,000 p.a. including bonus
Usual executive benefits Company car

Our client is a £62 million turnover PLC involved in the retail motor trade and ancilliary operations.

Candidates must be profit orientated, qualified Chartered Accountants, and will be aged 35 to 45, with audit and commercial experience.

The candidate will be required to join the existing management team in planning and implementing the group's activities, and will work in close co-operation with Divisional Directors and Accountants with day-to-day involvement in policies.

Early appointment to the group main Board is anticipated on retirement of the Financial Director.

Please write in confidence enclosing concise career and personal details, listing on a separate note, any companies to whom you do not wish your application to be forwarded, to: The Appointments Manager, Aurum Advertising Ltd, Edmund House, Wood Street, Altrincham, Cheshire WA14 1ED.

AURUM
Confidential Reply Service

Commercial Accountants

West London to £15k + bens

Our client, a diverse multinational, has in recent years established a presence in the financial services market.

The company is currently experiencing a rapid growth rate and is now seeking two additional commercially orientated accountants (ACA, ACCA, ACMA).

Both positions will be supported by qualified staff and will include the following responsibilities:

★ Financial accounting, reporting and control.
★ Planning and analysis.
★ Development and review of new and existing systems.
★ Funds flow and treasury cycle management.

These positions will provide the opportunity to gain valuable experience in the financial services sector whilst retaining the potential for promotion within the group to other business areas. The successful candidates will be highly motivated individuals capable of achieving rapid results. Previous experience in this expanding area, however, is not essential.

Interested applicants should contact **Phillip Price** BA ACA, on **01-242 0965** or write to him quoting ref. 327 at PO Box 145, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

PETROMIN MARKETING — DHAHRAN SAUDI ARABIA

Deputy Chief Accountant

Petromin Marketing requires a qualified Chartered Accountant with at least five years' experience, preferably in oil industry. Knowledge of Arabic an asset. Age 35-45 years.

Benefits include: Salary to £24,000 p.a. tax free, commensurate with qualifications and experience; housing allowance; free health care; free return tickets for annual holiday.

Complete curriculum vitae, including telephone number, to:

Managing Director, Finance and Administration
PETROMIN MARKETING
P.O. Box 50, Dhahran Airport
Dhahran 31932, Saudi Arabia

Group Finance Director

c.£20,000 plus car

Our client is a leading manufacturer of building products with an eight figure turnover and a consistent record of profit and growth. The present Finance Director retires next year and the person appointed will then assume total functional responsibility.

Duties include the provision of a comprehensive management and financial accounting service to the Managing Director and Group Board and supervision of the financial Statements prepared for all Group companies. In addition, the appointee will have overall responsibility for matters such as secretarial, pension fund accounts, insurances and establishments.

The successful candidate will have high level accounting and financial experience in a public company, having held responsibility for both the provision and use of capital in a manufacturing and selling business.

Knowledge of the Building Supplies industry would be desirable but not essential. Age range 35 to 50. An accounting qualification is required.

Appointment to the Group Board will follow soon after appointment and benefits include car, pension scheme, PPP, and relocation expenses if necessary to a pleasant part of the North Midlands.

Men and women are invited to write in confidence giving career details, age and current salary. Please include your telephone number and quote 4261/FT on envelope and letter.

urwick Urwick, Orr & Partners Limited
MANAGEMENT AND SELECTION CONSULTANTS
Baylis House, Stoke Poges Lane, Slough SL1 3PF

Accountancy Appointments

P.A. to Finance Director

c£13,000

Excellent opportunity for a newly-qualified ACA to get commerical experience in a rapidly-expanding high-technology company. There will be involvement in financial and management accounting, financial analysis and systems development. Responsibilities will grow as the company develops.
Call Jane Woodward BA — Ref: 7768

Business Analyst Leisure City

To £14,000+car

Our client, a rapidly expanding British Group, is currently carrying out a multi-million £ investment programme in new leisure businesses. This graduate qualified accountant will provide a high level financial advisory service to centralised senior managers within a fast developing division and can expect early promotion into one of the business units.
Call Penny Strawson BA — Ref: 7844

Oil Exploration and Production London base

c£14,000

A well identified career path within one of Britians finest and most successful groups with extensive operations in the UK and Europe and major markets worldwide. An initial training role which will commence either in Operational Audit in Europe or in Group Consolidation at Head Office. A first promotion would then follow within two years. Willingness to adapt to a new environment within this truly international organisation will lead to regular personal advancement to more senior management responsibility.
Call Craig Nodder B.Comm — Ref: 7505

'Blue Chip' Corporate Role C. London

to £15,000 + bonus

The first step on a splendid career path for a highly motivated ACA, aged up to 30, with their 'Top Ten' UK group. You will receive exposure to all the financial functions at their head office with a view to later specialisation in a corporate role or within one of the various divisions.
Call Ian Gascoigne MA — Ref: 7794

Assistant European Controller W. London

c£15,000+car

Following a promotion within a proven Management Development Programme this leading US Multinational wishes to appoint a graduate accountant, under 30, to its European Finance Team. Liaising with Senior Management on profit improvement exercises and standards of reporting and control: the role will provide a limited amount of travel and periods of secondment.
Call Bill Curteis BA — Ref: 7377

Personnel Resources
75 GRAYS INN ROAD, WC1X 8US 01-242 6321

Management Accountant

Nikon

London SW6 **to £15,000**

Nikon is one of the world's top manufacturers and distributors of photographic *and scientific equipment, established successfully in the UK market for a number of* years.

With a turnover in excess of £10M they now require a qualified accountant to provide the vital financial and management data for their future growth.

Reporting to the Financial Controller, the person appointed will be responsible for the accurate and timely provision of financial accounts, management information and the efficient running of the computerised accounting systems, liaising closely with the DP manager.

Ideally aged 26/33 you will be qualified ACA/ICMA with 1-3 years post qualifying experience in a commercial/industrial environment.

You should have a sociable, yet self sufficient personality to succeed in this young enthusiastic company. Side benefits are excellent. To apply please telephone or write to Rebecca Goddard quoting ref RG 8010.

Lloyd Chapman Associates
123, New Bond Street, London W1Y 0HR 01-499 7761

ELLERMAN CITY LINERS

ELLERMAN

ECL are a City based container shipping company which trades worldwide and currently generates a turnover of about £100m, employing 750 people. Part of an expanding Group, the company practises a philosophy of decentralised management which, coupled with substantial investment and a recent restructuring, has resulted in significant and profitable growth. For the following posts the company looks to recruit high calibre people with potential:-

COMMERCIAL ACCOUNTING MANAGER to £15,500 + car

Reporting to a Trade Director, applicants are sought from qualified accountants in their 30's, able to demonstrate sound management skills. Supervising a staff of 13, responsibilities will entail the financial control of several important Trades, for which broad based accounting and commercial experience, together with the ability to liaise effectively at the highest levels, are considered essential. Ref: 315

COMMERCIAL ACCOUNTANT to £13,000

This new post requires the services of a graduate Chartered Accountant under the age of 28. An impressive level of technical competence is necessary in the production of periodic financial and management information, plus the intellectual and commercial abilities needed to tackle a range of special exercises and ad hoc assignments on behalf of senior management. An interest in corporate taxation matters and micro computers would be advantageous. Ref: 316

Please write in the first instance enclosing a comprehensive C.V. to J. Constable, ACIS.

EXECUTIVE CONNECTIONS
Tersit Centre, 37-41 Bedford Row,
London WC1R 4JH.
Telephone: 01-242 8103

MANAGEMENT ACCOUNTANT

OXFORD ***£12,000-£15,000 + BENEFITS***

Our clients are world leaders in the supply of high technology equipment to the medical field. Experiencing rapid growth, the company is a subsidiary of a recently quoted public group, has a turnover of around £25m p.a. and employs c. 300 people.

The successful candidate will become fully involved as a key member of the management team. Wide ranging responsibilities will include budgeting, budgetary control, project accounting and capital expenditure control. Promotional opportunities are excellent for those displaying drive and commitment.

Candidates should be qualified accountants (ACMA/ACCA/ACA), probably aged 24-32, with 2-3 years' industrial experience and the personal qualities to deal effectively with all levels of management.

Please telephone and send your C.V. to:

Barry C. Skates
ACCOUNTANCY APPOINTMENTS EUROPE
1-3 Mortimer St., London W1N 7RH
Tel: 01-637 5277

International Appointments

Chief Executive

Chemical Methanol Production Company

New Zealand

Petraglas Chemicals N.Z. Limited, which has recently commissioned production and associated port load-out facilities for chemical methanol in Taranaki, New Zealand, is seeking to appoint a Chief Executive and General Manager.

The company is jointly owned by the Petroleum Corporation of New Zealand Limited (Petrocorp) and Alberta Gas Chemicals Limited of Alberta, Canada (AGCL) and operates in New Zealand as part of the Petrocorp Group which has wide interests in oil and gas exploration, development, processing and marketing, and in petrochemical industries.

The position of Chief Executive and General Manager has become available through the planned withdrawal at the end of 1984 of the present incumbent, when production from the 1200 tonne per day plant will be well established. The new appointee will be supported by a group of managers who have been associated with the development of the company through the commissioning of the plant and with the marketing of the product.

The position calls for a Senior Executive with proven business ability to undertake the management of an industry designed to produce petrochemicals in bulk, principally for export markets. A wide range of job skills is required appropriate for a top management position in a competitive industrial environment, including a good understanding of financial/cost accounting. Line experience in manufacturing of petrochemicals is desirable although not essential. The remuneration package will reflect the responsibility and accountability of the position.

Additional background information can be obtained from the Group General Manager of the Petroleum Corporation of New Zealand Limited, Petrocorp House, Wellington, P.O. Box 5082 or telephone 729-092.

All applications will be treated in the strictest confidence and no information will be disclosed or enquiries made without the permission of the applicant.

Applications should be forwarded to:
Mr F W Orr,
Chairman of Directors,
Petraglass Chemicals N.Z. Limited,
P.O. Box 1568, Auckland,
New Zealand

UNITED NATIONS

seeks qualified candidates for its Secretariat. Priority will be given to candidates from countries which are currently unrepresented or under-represented on the staff of the Organisation (see list below). **Women candidates are encouraged to apply.**

CHIEF, INTERNATIONAL COMPARISONS UNIT

(P5) in New York (Refer to No. 84-016) Statistical Office.

Functions: responsible for the development and promotion of an integrated and co-ordinated programme of work in price statistics at national and international levels and for the International Comparison Project (ICP) designed to establish a global system of annual quantitative comparisons of national product and purchasing power.

Qualifications: advanced university degree in economics or economic statistics; thirteen years experience in national statistical service, research or planning institution or international organisation, preferably in national accounts or prices. Fluency in English or French with drafting ability; knowledge of the other, Spanish also desirable.

Salary: depending on qualifications and number of dependants, minimum net base salary per annum of *US$30,776* and a minimum post adjustment of $14,726.

Deadline for applications: 24 May 1984.

ECONOMIC AFFAIRS OFFICER

(P4) in Geneva (Refer to No. 84-013)
UN Conference on Trade and Development, Manufactures Division

Functions: co-ordinates operation of the UNCTAD data base on trade measures; conceptualises, prepares and co-ordinates analytical and policy-oriented reports on tariff and non-tariff measures; makes recommendations for national and international action concerning trade and barriers to trade; represents the Secretariat in consultations on the data base.

Qualifications: advanced university degree in economics with specialisation in international economics; eight years' experience in research and quantitative analysis of trade and trade measures; fluency in English or French, knowledge of the other desirable.

Salary: depending on qualifications and number of dependants, minimum net base salary per annum of US$25,671 and a *minimum post* adjustment of $18,277.

Deadline for applications: 24 May 1984.

Please send detailed resume to:

Professional Recruitment Service
United Nations Secretariat
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Fixed Interest Manager

The Government Insurance Office of New South Wales is a leading, Sydney-based general and life insurer with total assets of $A2.5 billion. The Investment Division is seeking a well qualified, experienced executive to lead the fixed interest team. The successful applicant will develop and implement strategy and have responsibility *for the profitable management of substantial portfolios.*

A salary of around $A45,000 is offered, together with attractive benefits which will be discussed at interview. Fares, relocation expenses and initial rental subsidy will be paid. Interviews will be held in London in June. Please write with full career details to:

G. Henderson
Administration Manager
Government Insurance Office of New South Wales
60-70 Elizabeth Street, Sydney 2000
N.S.W. Australia

An international company, operating on a worldwide basis in the field of the storage and distribution of crude oil, oil- and (petro)chemical products, with branches in Western Europe, the United States, the Middle and Far East, is looking for

a trading manager

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At least 10 years' experience in the supply or international trading of *crude oil, oil- or (petro)chemical products* is essential to give this new function the input desired by the group management.

The preference turns to a candidate who is now active, or has recently been employed at management level with a trading or similar division of an independent or major oil company.

It will be to the advantage of the person we are looking for if, in addition *to the English language, he is also proficient* in Dutch, French or German.

Letters with full curriculum vitae and references are to be addressed to:

Box A8597, Financial Times, 10 Cannon Street, London, EC4P 4BY

REGIONAL DIRECTOR

A U.S. multinational corporation is seeking a Regional Director with a minimum of 10 years' experience in *marketing patient monitoring equipment* and supplies in Europe, Africa and the Middle East.

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SCOTTISH FINANCIAL SERVICES

The above survey, due to appear in today's paper, will now be published on Thursday May 17

UK COMPANY NEWS

Castle (G.B.) up 20% in first half

PROFITS, before tax, of Castle (G.B.), kitchen and bathroom concern, improved by 20 per cent from £570,000 to £683,000 for the 28 weeks ended February 11 1984.

After tax of £224,000 compared with £261,000, earnings per 25p share of this USM company—the quote commenced on May 17 1983—were 3.8p, against 2.8p. The interim dividend is 1.12p and the directors say that subject to the full year's results coming up to expectations, they anticipate recommending an increase in the total distribution.

Turnover for the 28 weeks amounted to £7.5m, against £7.2m and with pre-tax profits were split between, kitchens £6.54m (£6.52m) and £775,000 (£675,000); bathrooms £961,000 (£681,000) and £92,000 loss (£105,000 loss).

Both the two divisions contributed to the improved results, even though the kitchen turnover was relatively flat as a result of the slow start to the year ahead of the Interbuild Exhibition.

The second half has started "very strongly," Castle Bathrooms is now into profits and directors expect this half to show an improvement over the first to give a substantial increase over the year as a whole.

A new division has been formed, directors state, which is set to launch a range of electrical, gas and related appliances under the Olmar brand name. A small contribution to profits will be made by this division in the current year.

The directors point out that the changes in corporation tax, announced in the Budget, will have a beneficial effect on earnings per share as in the past the company has made full provision for deferred tax.

● comment

The market had expected Castle's bathroom division to reach the black before the current half, so it responded to a 20 per cent increase in group profits by marking the shares down 5p to 92p, where Castle is valued at £11m. The supply bottleneck which had held up bathrooms has been overcome, and the group expects divisional sales in the second half to be 60 per cent ahead of the interim. The mainstream kitchen business is still awaiting the impact of the £4m worth of shop displays contracted at last November's Interbuild Exhibition, of which 80 per cent have been installed. Retailers have been running down their existing stocks before committing themselves to new lines—hence the only marginal increase in kitchen sales. Olmar is on target to add £3m to annual sales with a minimal impact on overheads since it requires no enlargement in staff numbers. A surge in sales to beat the imposition of VAT on refurbishments plus the first orders from the new lines could lift full-year profits to £1.6m before tax. That puts the shares on a multiple of just 11.5, assuming a 40 per cent tax charge.

Godwin Warren advances 54% to £309,000

As anticipated at midway, full-year taxable profits of USM stock Godwin Warren Control Systems showed a substantial increase from £201,317 to £308,801.

The three main product areas, parking equipment, railway and safety products and after-sales and service, showed satisfactory progress.

The 54 per cent advance in group profits was achieved on turnover up from £3.08m to £3.4m for the 12 months to end-December 1983.

As forecast in last May's prospectus the dividend total is 1.4p net with a final of 0.7p. Earnings per share were 7.6p (6.9p).

Net profits came out at £252,255 (£185,283) after tax of £56,546 (£16,054). Minorities accounted for £7,822 (£6,164) and there was an extraordinary deferred tax provision of £167,000, balanced out by a transfer from reserves.

Utd. Biscuits optimistic outlook

FIRST QUARTER'S results of United Biscuits are in line with budget, Sir Hector Laing, chairman, told the annual meeting yesterday.

He said that present indications are that, against last year's very buoyant first half performance, "we will show a modest increase in pre-tax profits this half." The outlook for the full year remained very satisfactory.

Referring to the successful U.S. launch of a soft cookie by Proctor and Gamble, Sir Hector said that the group has installed new equipment in three bakeries and has now its own new cookie called Soft Batch, in Florida, Ohio, Michigan, and New York State.

The targets set for the initial sales were very demanding and the response had exceeded the group's best expectations. The soft cookie has expanded the market and the retail trade has already allocated the group an additional 5.3 miles of shelf space in those four states.

Mr John Mackay, chairman of Hugh Mackay, told shareholders at the annual meeting that the intake of orders, productions and despatches were all materially up compared with a year ago and were slightly better than during the fourth quarter of 1983.

He said that whereas the first quarter of 1983 gave a small profit, this year the first quarter accounts were more encouraging due to higher activity.

The special products division continues to make progress and there are signs that this activity should continue to increase during the year.

Looking ahead the chairman said that it continued to be difficult to forecast sales but the enquiry and quotation activity remained encouraging.

At the Hepworth Ceramic Holdings annual meeting Mr Peter Goodall, chairman, said that the company had made a very healthy start to the current year.

Dr Michael Dargan, chairman of Cement-Roadstone Holdings, Ireland's biggest industrial company with expanding interests overseas, told the AGM that the directors apprehension that decline of the construction industry in the Republic of Ireland would continue into this year is proving only too well based.

He said that contrary to the conventional predictions at the beginning of the year that recovery abroad would refloat business at home, the facts of business life show that until the policies at home are changed the traditional Irish industries will be made less competitive and employment will suffer.

On the current year's profits he reiterated an earlier statement that it would take a heavy pull to restore an adequate return on capital.

Rentokil Group expects to derive considerable benefits from budget proposals and from the Government's tax policy, the chairman told the AGM.

Looking to this years trading, the board expects to see continued growth throughout the world, and the chairman looks forward with confidence to a further healthy increase in profits.

At the AGM of IMI Group, Sir Robert Clark, chairman, welcomed the elimination of the National Insurance Surcharge, which he estimated would benefit the group to the extent of about £1m per year.

On the other hand, the earlier collection of VAT and the imposition of VAT on the sale of building products for modernisation, would have an adverse affect.

He further indicated that there would be a need to reflect liability for deferred corporation tax in the 1984 accounts, and estimated that there would be an extraordinary provision of £4m to £5m.

In the early months of the current year he had seen nothing to diminish his confidence that the company would sustain its progress over the coming years, and hoped that it would be possible to adequately reward the "loyalty and support of our shareholders."

Exchange rates hit Lee Cooper and profits fall £1.6m

HIT BY currency fluctuations 1983 pre-tax profits of the Lee Cooper Group, manufacturer of jeans and casual wear, fell from £9.82m to £8.21m.

The directors explain that as a result of the international nature of the group's activities a large proportion of earnings in recent years have derived from the overseas subsidiaries.

They point out that when overseas earnings are converted into sterling at year-end group's results expressed in sterling suffer if the pound happens to be strong at that time against some other European currencies.

For this reason 1983's pre-tax profits suffered considerably following the strength of sterling at December 31 last.

As an example of the effect this could have on the results the directors say 1982's turnover and pre-tax profits expressed in terms of the 1983 year-end exchange rates would have dropped by £6.2m and £0.84m respectively.

Earnings for 1983 fell from 24.25p to 15.58p per 25p share but a final dividend of 2.275p (2.1p) lifts the net total by 0.35p to 3.675p.

Group turnover for the year declined from £86.48m to £83.24m and at the trading level profits amounted to £8.74m, compared with £10.38m.

● comment

The market's recent caution about Lee Cooper's share price is well justified by yesterday's disappointing results—the second profits fall in four years. In short, the company is paying the price for neglecting its UK base, a contributor of less than a tenth of group turnover and a persistent loss-maker. Traditionally, most of the group's profits hail from Europe but although volume sales have stood up well in a tight jeans market, the weakness of the French franc took an unhealthy bite out of true earnings. On top of this it has cost an arm and a leg to renegotiate the company's somewhat unusual licensing agreements in Comecon countries whereby, for the privelege of a strategic presence in a vast and underexploited market, the company undertook to buy back some product to provide the host countries with foreign currency to purchase denim cloth. The company has now wisely set its mind to getting the UK operation on a more rational footing by reorganising product lines and production facilities and injecting a new sales force. This should ensure some loss elimination this year but there is still the uncertainty of the European jeans market and the unpredicability of currency movements overshadowing short-term prospects. At 128p, down 12p, the p/e is around 8 while the yield is 4.2 per cent.

Foster Clothing rises to £8.3m

SECOND HALF 1983-84 pre-tax profits of Foster Brothers Clothing, the West Midlands clothier tailor and outfitter, advanced by £2.37m to £6.38m lifting the total for the year ended February 29, 1984 from £5.04m to £8.3m.

The result follows the directors midway forecast of a "satisfactory increase" and represents a partial recovery back to the record level of £10.5m achieved in 1979-80.

The directors report that the current year has started well with sales and results up to budget. If this trend is maintained they expect the year to produce a worthwhile increase in profits.

The sharp increase in 1983-84 sales—from £82.52m to £101.7m—and profits reflects not only buoyant retail trading conditions, but mainly increasing benefits beginning to accrue from the store modernisation programme started two years ago.

Sales in all the group's retail companies show a satisfactory improvement with an outstanding performance by Foster Menswear, the major subsidiary, being the main reason for trading profits doubled to £7.33m. Some 125 branches are operating in the new image and the programme of conversion is being accelerated so that over 250 modernised shops should be open by the end of the current year.

Shareholders are getting an increase in the dividend. The final goes up from 2.25p to 2.75p net per 25p share taking the year's total up from 3.35p to 4p.

The pre-tax profit includes surplus on sales of properties of £1.27m (£1.51m) and was struck after net interest and other charges of £300,000 (£202,000).

● comment

Foster is making a runaway success of giving its menswear stores a downmarket version of Burton's Topman treatment. The pace of refurbishment has been stepped up in response to the 23 per cent increase in sales last year which generated a near doubling of trading profits. Only 35 stores had been revamped at the start of last year, 95 by the year end, and the target is 250 of the 500 shops by the end of the current year. The group has also hit on a novel way of making use of its less attractive sites—about 100 of these are to trade as "Your Price" discount stores in a separate new division. Elsewhere, the children's wear business should climb from breakeven last year into profit, and the U.S. menswear company should show the benefits of a UK-style revamp, though the profits still fall far short of an adequate return. Despite the heavy cuts and disruption of refurbishments, the group should make £9.5m pre-tax this year, with much more to come in the year after once the menswear programme is complete. This puts the shares, up 4p to 148p, on an attractive prospective multiple of about 12, assuming an increased 40 per cent tax charge.

COMPANY NEWS IN BRIEF

The basis of allocation for those applying for over 2,000 of the Save & Prosper Return of Assets Investment Trust warrants is 750 warrants plus 1.544 per cent of the excess over 2,000 and not as stated in yesterday's edition.

* * *

Mr P. B. McMaster, chairman of Humberside Electronic Controls, says in his interim statement he is confident pre-tax profits for the year ended May 31 1984 will meet the forecast of £72,000 made at the time of last November's rights issue.

In the six months to November 30 1983 turnover amounted to £272,497 (£244,118) and the company showed a small profit of £9,921 compared with a loss of £88,966 for the corresponding period of 1982 and with a loss of £156,471 for the 1982-83 year. The chairman says that the interim results are very much in line with budget projections.

He says that order intake since last November has been over £350,000 with real prospects of further substantial contracts in the coming weeks. Expenditure continues on the development programmes and profit benefits are beginning to accrue. Also, substantial cuts in operating and overhead costs have been effected, benefits of which will be fully reflected in 1985 results.

The company, which was introduced to the Unlisted Securities Market in 1981, is engaged in retrofitting and servicing electronically controlled machine tools.

* * *

Candover Investments, management buy-out specialist, achieved pre-tax profits of £185,797 for the 18 months to December 31 1983. On an annualised basis this was equivalent to £123,865, which compares with the £66,126 attained in the 12 months ended June 30 1982.

At December 31 last the net asset value per ordinary share amounted to £5.9m (£754,052 at June 30 1982), or £35.75 per share (£4.7). Dividend rises to 60.05p (25.72p).

During the 18 months nine investments were made in the UK, primarily in management buy-outs organised by the company, the largest of which was the £40m purchase of William Timpson.

* * *

E. T. Sutherland and Son, a Sheffield-based meat products group, has got off to a lively start on the Unlisted Securities Market.

Its offer for sale of 3.75m shares at 95p each has been oversubscribed 63 times, indicating that investors put up £224m for the £3.56m worth of shares available.

Preferential applications by employees for a total of 294,200 shares have been allotted in full. The rest will be allocated as follows: applications for 500,000 shares or more will get 25,000; applications for between 250,000 and 499,999 shares will receive 10,000 shares; applications for between 50,000 and 249,999 shares will be allotted 1,000 shares; and allocations for less than 50,000 shares will be put into a weighted ballot for 200 shares.

* * *

Yearling bonds totalling £14.75m at 10¼ per cent redeemable on May 15 1985 have been issued by the following local authorities:

Cheltenham Borough Council £0.5m; Brent (London Borough of) £0.5m; Eastleigh (Borough of) £0.25m; Etterick and Lauderdale District Council £0.25m; Highland Regional Council £1m; Lochaber DC £0.25m; Rotherham (Metropolitan Borough of) £2.75m; Merthyr Tydfil BC £0.5m; Mendip DC £0.5m; North Shropshire DC £0.5m; Ogwr BC £0.5m; South Pembrokeshire DC £0.25m; West Oxfordshire DC £0.25m; Edinburgh (City of) DC £1m; Sandwell (Metropolitan Borough of) £1m; Hillingdon (London Borough of) £1m; Lincoln (City of) £0.5m; Dudley Metropolitan BC £0.75m; Sefton MBC £1.25m; Eastbourne BC £0.25m; Renfrew DC £1m.

* * *

Net asset value per ordinary share of Winterbottom Energy Trust on May 4 was 106.6p after prior charges at par and 108.7p after prior charges at market value.

European Ferries Plc

Summary of Results

	Turnover 1983 £m	Turnover 1982 £m	Results 1983 £m	Results 1982 £m
Shipping	226.7	207.7	16.6	12.8
Harbours	38.4	34.4	9.4	8.5
Banking	—	—	6.6	4.6
UK Property	13.7	33.9	2.3	2.4
Overseas Property	44.1	16.9	8.1	1.2
Other Activities	—	—	(2.4)	0.5
Head Office Interest	—	—	(2.4)	—
£m	322.9	292.9		
Profit before Exceptional Items, Taxation, Minority Interests and Extraordinary Items			38.2	30.6
Exceptional Items – Profit on Disposal of Ships			5.9	0.6
Taxation			(8.6)	(6.8)
Minority Interests			(1.3)	(0.8)
Extraordinary Items			4.1	4.6
Earnings Attributable to Shareholders			38.3	27.6
Dividends, Paid and Proposed			(10.6)	(9.3)
Retained for the Year £m			27.7	18.3
Earnings per ordinary share			12.3p	8.3p
Earnings per ordinary share before exceptional items			10.2p	8.1p
Dividends per ordinary share			3.80p	3.35p

The above figures do not constitute the full accounts of the Group for the year ended 31st December 1983, upon which the auditors have given an unqualified audit report. The full accounts have not yet been filed with the Registrar of Companies.

POINTS OF NOTE

Shipping – trading profits showed a satisfactory increase for the year, with increased freight traffic compensating for a static tourist market. Significant investment in new tonnage is likely to be announced in the near future to meet increasing consumer demand and to maintain our reputation for quality service.

Harbours – this division returned increased profits and is generally working efficiently to capacity. Major expansion proposals are under active consideration.

Banking – the sale of our 92½ per cent interest in our banking subsidiary, Singer & Friedlander Limited, for £52m, was successfully concluded on 30th April and banking profits will not be included in Group profits from that date.

Property – UK property development profits, at £2.3m, reflect continuing difficult market conditions but 1984 earnings are currently budgeted to better the 1983 result. Our property interests in the U.S.A. showed a significant and heartening increase over 1982 as market activity and price levels began to recover from the effects of recession.

General – we expect a continuation of the improvement in general trading conditions both at home and overseas during the current year as the Group continues with its corporate strategy of concentrating and increasing its management and financial resources in the shipping, harbour and property sectors.

Reorganisation – We have announced proposals for the reorganisation of the Company's share capital and of the right to Townsend Thoresen's Car Ferry Fare Concessions. A short explanatory letter has been sent to shareholders. Further details are expected to be posted to shareholders on 30th May.

European Ferries Plc

Registered Office: Enterprise House, Channel View Road, Dover, Kent CT17 9TJ.

European Ferries Plc

Reorganisation of share capital and rights to concessionary fares

The Directors of European Ferries Plc, supported by the Company's financial advisers, S. G. Warburg & Co. Ltd., strongly believe that the proposed changes in the share structure of the Company described below are fair and in the best interests of all shareholders.

For the past 25 years the Company has offered individual shareholders considerable fare reductions on certain Townsend Thoresen sailings. These concessions have not been available to shareholders as of right, but the Board, in exercise of its discretion, has reviewed, amended and then renewed them every year. The number of shareholders entitled to the concessions has now grown to over 160,000 – an increase of 60,000 over the last three years alone. Until now the concessions have been valuable to all shareholders as well as to the Company but the Board has decided that the concessions cannot be made available much more widely. The cost and the administrative burden will shortly become too great and, if this were to happen, the concessions would have to end or be seriously curtailed. The Board wants to avoid this and that is why these proposals are being put to shareholders.

The concessions have not been available to corporate shareholders, whose interest is therefore restricted to profits and dividends. Over the years, this has led to two distinctly different groups of shareholder: those who own shares essentially because of the concessions and those who do not.

In order to balance the priorities of each group, the Board is proposing to give all shareholders the choice of holding different categories of share. One is designed for shareholders who regard European Ferries Plc as an investment. The other is for shareholders who would prefer the continuing benefit of the fare concessions. Shareholders will be free to choose either or both categories. Tax counsel has advised that the exchange of shares will not result in a tax charge in the United Kingdom.

No changes in Company policies or management are envisaged as a result of these proposals.

Below is a short guide which gives more information about the proposals. It is expected that full details will be sent to shareholders on 30th May, 1984, together with the Annual Report and Accounts for 1983.

THE PROPOSALS

Shareholders will have a free choice and will be able to exchange their existing shares on a one-for-one basis for:

New ordinary shares with a par value of 25p each

OR

New preference shares with a par value of £1 each

OR

A combination of the two

Application will be made for both the new classes of shares to be listed on the London Stock Exchange. The new shares will be transferable and their market value will be established only when listing takes place.

New ordinary shares

- will continue to entitle shareholders to receive dividends based on results and to the prospect of capital growth.
- will entitle shareholders to a greater proportionate share of Group profits, the extent of which will depend on the number of new preference shares issued.
- will continue to give shareholders a full vote in the affairs of the Group.
- **but will not qualify for concessionary fares.**

New preference shares

- will give individual shareholders the right to the existing fare concessions of up to 50 per cent on ferry sailings for 15 years or more.
- will entitle individual shareholders to an unlimited number of concessionary crossings in a year. The value of the concessions will increase as fares rise.
- will carry a fixed preferential dividend, which will give shareholders a 30 per cent increase in income compared with that received now.
- will be redeemed at their par value of £1, plus a premium of 20p per share, either in 1999 or when the concessions end if they are continued after that date.
- but will have limited voting rights.

How many new preference shares will shareholders need?

- individual shareholders with at least 300 preference shares will continue to qualify for the full concessions for travel before 1st January, 1988.
- for travel on or after 1st January, 1988, individual shareholders with at least 600 preference shares will continue to qualify for the full concessions. Those with between 300 and 599 preference shares will then be entitled to only half the value of the concessions.

If shareholders want to increase their holding to 600 preference shares, they will be able to do so by purchasing shares on the stock market.

How long will the concessions last?

- it is the Board's firm intention to maintain the concessions for at least 15 years but, if they were to become practically or legally impossible, or materially prejudicial to the preference shareholders or to the Company or to both, the Board might be forced to terminate the concessions. Such a decision would be taken only with the support of independent advisers. If the concessions were terminated within the 15 years, preference shareholders would automatically be entitled to a higher dividend, with a view to each of their shares having a market value of at least £1 at that time.

It is expected that full details of the proposals will be sent to shareholders on 30th May, 1984. Shareholders will be able to vote on the proposals either in person or by proxy at meetings of which they will be notified.

Following approval of the proposals by shareholders, because of the way the reorganisation is structured, they will have to be sanctioned by the High Court. Once this has happened, shareholders will be sent Forms of Election and will have four weeks in which to decide which category of share suits them best.

The existing 1984 Concessionary Car Ferry Fare Scheme will continue and concessionary bookings will be honoured for sailings up to 31st January, 1985.

European Ferries Plc

Registered Office: Enterprise House, Channel View Road, Dover, Kent CT17 9TJ. Registered in England No. 301725

UK COMPANY NEWS

Trafalgar soars £12m: evens on fresh P & O bid

M. Nigel Broackes, chairman of Trafalgar House, the shipping, property and oil group, yesterday indicated that the chances of Trafalgar renewing its bid for Peninsular and Oriental Steam Navigation (P & O) were "slightly less than 50-50."

Mr Broackes discussed the group's policy towards P & O at a press conference at which Trafalgar's half year pre-tax profits were disclosed. For the six months ending March 31, profits before taxation amounted to £45.93m, an increase of 37 per cent over the £33.56m reported for the corresponding period last year.

He said that Trafalgar, which holds a 6.7 per cent shareholding in P & O, "will look at it in June or July, but the decision could very well be to do nothing for the time being."

Last year Trafalgar bid £290m for P & O. The bid was referred to the Monopolies and Mergers Commission who eventually gave its approval to the offer.

Under the rules of the Panel on Takeovers and Mergers Trafalgar is free to bid against for P & O after June 23. But Mr Broackes said: "I do not want to create any impression that on June 24 we are going to make some dramatic announcement. It is going to be a lot slower than that. We are not paralysed by indecision on this matter. We are sitting on an extremely good profit and getting a good yield so we feel no pain or pressure."

The average price that Trafalgar paid for its P & O stake was about 160p a share. P & O was, said Mr Broackes, a "little bit less attractive than it was last year." The 1984 budget changes for capital allowances had made shipping slightly less attractive. Mr Broackes also pointed to the proposed tax on seafarers wages and the fact that P & O planning to bring its foreign rating on to European wage scales.

On the plus side, he said, there were P & O's results which were "a creditable total."

Trafalgar had made no request for boardroom representation but he hinted that the group might consider other types of links with P & O. "We might *initiate talks for collaborative* action for consortia interests or joint operation of ships."

Commenting on the half year results Mr Broackes said the figures matched the directors' best expectations. The interim dividend is being stepped up by 0.7p to 4.7p net per 20p share and for the year as a whole, a total of 10p (8.5p) is contemplated.

The results included for the first time those of the new oil and gas division which contributed £16.86m at the operating level—the group recently acquired a 1.5 per cent share in the Forties Field in the North Sea. Profits of the traditional areas showed a slight fall.

Operating profits of the other activities showed: property and house building £11.57m (£13.15m), construction and engineering £19m (£20.7m) and shipping, aviation and hotels £2.58m (£5.42m).

Pre-tax profits were arrived at after deducting interest charges of £4.08m, compared with £5.71m.

Tax, including PRT, was provided for at 26 per cent (23 per cent) and absorbed £11.94m (£7.72m). The figure took into account the Chancellor's Budget proposals.

Minorities accounted for £752,000 (£362,000) and extraordinary debits rose from £713,000 to £981,000.

Excluding extraordinary items earnings totalled 12.8p (10.6p) per share.

Property and house building profits in the second six months are expected to "considerably exceed" those of the first half.

In construction and engineering, overseas experience was satisfactory though it is pointed out that domestic market conditions remain highly competitive. A sharp upturn in North Sea work is expected later in the year.

The group has completed the acquisition of the Scott Lithgow marine yard from State-owned British Shipbuilders. The directors say the immediate profit impact may not be large, "but the potential for recovery and integration can be described as large or very large."

The joint venture with Jardine Matheson and Co. in the Hong Kong-based Gammon Construction Group has got off to a good start and should ensure ready access to Pacific basin construction work.

Commenting on the shipping, aviation and hotels division, the directors said the cruise market remains patchy, though the liner QE2 has good summer season prospects and all five passenger ships are operating satisfactorily.

The first half contribution from the cruise liners Sagafjord and Vistafjord was reduced by extensive refitting.

They added that the Ritz Hotel in London was doing well and that business there related closely to the QE2's transatlantic business.

Cargo and container operations show limited signs of improvement, but pressures and problems remain.

Oil and gas production in the first half included three months from recently-acquired Candecca

For the full year the chairman said he was expecting good performances from all divisions.

See Lex

Associated Paper first half profit doubled

A SHARP upturn in each of Associated Paper Industries' three business sectors has resulted in doubled interim profits and the dividend is going up from 1.2p to 1.5p net per 25p share.

Pre-tax profits are up from £905,000 to £1.89m, on sales ahead from £17.6m to £22.95m. Including the effect of acquisitions, sales represent an increase of 30 per cent overall with exports rising by 42 per cent to £4.3m.

An analysis of sales and trading profits (£000s) shows: papermaking and converting £16,809 (£13,948) and £1,436 (£981); stamping foils—which the directors say reflect significant *improvement—£4,130 (£3,428)*; and £615 (£312); and air conditioning filtration and purification £2,015 (£221) and £223 (£46).

For the whole of 1982-83 sales totalled £37.27m trading profits came to £2.74m and pre-tax to £2.52m. The total dividend was 4.2p.

Profits at the trading level are up from £1m to £1.92m. After tax of £380,000 (£199,000) the net profit emerges at £1.51m (£706,000), giving earnings per share of 8.2p (4.7p). The total dividends absorb £285,000 (£183,000).

Mr Charles Rawlinson, chairman, says that the group continues to look ahead with confidence.

The trading profit for the first half includes a provision for an appropriation under the group's profit sharing scheme. This was approved by shareholders on February 9.

Current cost profits, before tax, are stated at £1.47m for the six months.

EuroFerries expands £13m to £44m

INCLUDING A ship disposal surplus of £5.9m, taxable profits of European Ferries, shipowner, ferry operator, pushed ahead *from a re-stated £30.6m to £44.1m* for the 1983 year. Second half figures expanded by almost £10m from £25.6m to £35.2m.

Turnover, which was virtually static at midway at £119.8m (£120m), advanced in the second six months and finished up from £292.9m to £322.9m.

The directors expect a continuation of the improvement in general trading conditions both at home and overseas during the current year, as the group furthers its corporate strategy of concentrating and increasing management and financial resources in the shipping, harbour and property sectors—Britannia Arrow agreed on April 5 to acquire a controlling interest in Singer & Friedlander, part of the banking division, for £52m.

The directors also announce proposals for the reorganisation of the company's share capital, and of the rights to Townsend Thoresen's car ferry fare concessions.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Assoc Paper	int	1.5	July 5	1.2	—	4.2
Castle (G.B.)‡	int	1.12	July 5	—	—	0.6
Cater Allen Gilt	int	32	June 30	32	—	128
Dualvest		4.37	May 31	3.79	8.48	7.88
Euroferries		2.7	—	2.35	3.8	3.35
External Inv		5.75	July 13	5.5	10.75	10
Foster Brothers		2.75	July 12	2.25	4	3.35
Fulcrum Inv	int	2.2	June 30	2.1	—	5
Fundinvest	int	2.07	May 31	1.96	—	4.69
Godwin Warren‡		0.7	June 28	—	1.4	—
Headlam Sims		1.6	June 16	1.6	3	3
Lee Cooper		2.28	—	2.1	3.68	3.33
Trafalgar House	int	4.7	July 2	4	—	8.5

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

Earnings per 25p share are given as 12.3p (8.3p) or 10.2p (8.1p) before the exceptional ship surplus—last year's credit was £0.6m.

The dividend is stepped up from 3.35p to 3.8p net with a final distribution of 2.7p.

Before the exceptional items operating profits amounted to £38.2m (£30m) and were split as to: shipping £16.6m (£12.8m); harbours £9.4m (£8.5m); banking £6.6m (£4.6m); UK property £2.3m (£2.4m); overseas property £8.1m (£1.2m); other activities £2.4m loss (£0.5m profits); head office interests £8.4m (nil).

In shipping the directors say that significant investment in new tonnage is likely to be announced in the near future to meet increasing consumer demand and to maintain the company's reputation for quality of service.

The harbours division is generally working efficiently to capacity, while major expansion proposals are under active consideration, they state.

The directors explain that as the sale of the 92.5 per cent interest in Singer and Friedlander was concluded on April 30, banking profits will not be included as from that date.

On the property side, 1984 earnings are budgeted to better the 1983 result.

Tax charge took £8.6m (£6.8m), minorities £1.3m (£0.8m), and there were extraordinary credits of £4.1m, against £4.6m, which relate to

See Lex

PetroGen set for USM with £8.2m value

BY ALISON HOGAN

Laing & Cruickshank is bringing a new recruit to the oil sector of the Unlisted Securities Market, PetroGen, through the offer for sale of 4m shares of comon stock at no par value at 80p each. This will give the company a market capitalisation of £8.2m.

PetroGen will raise around £2.88m through the offer of 40 per cent of the issued equity to further itsp rincipal objective of acquiring interests in, and then exploiting, oil and gas prospects and reserves in the U.S. and Europe.

The company is managed by Mr Alva Hickerson who has a successful record in the oil industry covering 30 years. His philosophy is to be a deal taker, which means the company enters into partnerships with oil operators whereby U.S. investors meet the exploration risks while PetroGen puts up the tangible costs of completing a well which is found to have either oil or gas. PetroGen splits the income from the well with the operator 50/50.

In the U.S. it has an arrangement with Alamco Securities which will provide the costs of drilling programmes in West Virginia, up to $4m a year in the next three years.

In Denmark, PetroGen has a majority shareholding in Petrodan, which in partnership with a U.S. oil company Aminoil has been awarded an exploration and production licence in Denmark's first round of on-shore development.

It has some immediate operating income coming from working interests in eight oil and gas wells in the West Wattenberg Field in Colorado.

PetroGen estimates an asset *value per share of 91p against* the offer price of 80p. The valuation is based on the higher of two valuations which were made of the West Wattenberg Field. The lower valuation would bring net assets down a little below 80p, but the company has included its interest with Alamco at nil value and the Denmark interest in Petrodan at only the rolled-up costs to date.

Application for shares open on Tuesday May 15 and letters of acceptance will be sent not later than May 21.

● comment

The key man insurance policy of $1.5m which PetroGen has arranged on the president Alva Hickerson points to the importance of his contacts and reputation in the oil industry. He has sold out successfully three times already and seems confident of the potential of the partnerships *with Alamco and Aminoil in the* U.S. and Denmark. He says that PetroGen has in Mr Jan Gording, one of its full-time technical consultants, one of the best petroleum goologists in Denmark. The company hopes to win a further stake by participating in the second round of licences in Denmark expected next year. But it is from the joint venture with Alamco that he expects to see the earliest and largest returns which could be as high as six to eight times on a present value basis. The two valuations on the Wattenberg field ($8.6m and $5.6m) has resulted in a lowering of the company's original anticipated offer for sale price. However, investors going into the stock will do so, not for the income from those eight wells, but because of the prospects with the two recent partnerships. If either realises anything near its potential, then *the offer is good value.*

Amstrad £12.9m rights to fund expansion

Amstrad Consumer Electronics, which makes and sells hi-fi equipment, televisions and microcomputers is raising £12.9m through a one-for-six rights issue at 85p per share.

The directors forecast pre-tax profits of at least £9m for the year to June, compared with £8m, and the board intends to recommend a final dividend of 0.41p net on the increased capital (0.34p adjusted) giving a total of 0.68p net for the year, an increase of 20 per cent.

Amstrad is raising the money to help finance its expansion *plans at its Shoeburyness factory* and the start-up costs of its first microcomputer the CPC464, launched in March. Some 200,000 units will be manufactured this year. Orders have been placed for the full production quota with four major retail outlets, Dixons, Comet, Boots and Rumbelows. Amstrad expects to manufacture 600,000 in 1985.

Mr Alan Sugar, the chairman, who has a 58.9 per cent stake in the company, will sell all his rights of just over 9m shares in nil paid form to purchasers who have undertaken to take up the rights at the issue price.

Clerical Medical and General Life Assurance is interested in 12.8 per cent of the existing issued share capital and similar arrangements have been made to sell 46.6 per cent of its entitlement (just under 1m shares). Its rights are being purchased at a premium of 5p per share subject to dealing expenses. Kleinwort Benson is underwriting the remaining shares being issued.

● comment

Amstrad has left it a bit late to take on Sinclair and Commodore on the fiercely competitive home computer market. Mr Sugar sounds confident of CPC464's prospects, but W. H. Smith, a leading retailer of home computers is so far conspicuously absent from its outlets. When Amstrad came to the market in 1980 its distinctive trademark was a nimble use of currency fluctuations and high margins sustained through shrewd buying from overseas and subcontracting. As it gets larger the fleet footedness appears to be slowing down and at the interim stage, Amstrad reported unfavourable exchange rates and a reduction in margins. Trading conditions in the UK have been "difficult" since the Christmas selling season. The shares fell 6p to close at 102p. Assuming Amstrad could make £10m pre-tax which on a 35 per cent tax rate gives an unexciting PE of 15.

MINING NEWS

Optimistic outlook for copper prices

BY KENNETH MARSTON, MINING EDITOR

SHAREHOLDERS OF the copper-producing companies, gloomily contemplating the stubborn refusal of metal prices to rise from their depressed levels, may take a little heart from the recent remarks of Mr George B. Munroe, chairman of Phelps Dodge, the second largest U.S. producer of the metal after Kennecott.

They may also feel that there is an element of whistling in the dark on the part of Mr Munroe who freely admitted that "a significant improvement in copper prices is required" before his company can earn profits again.

Because of low copper prices, it lost $63.5m (£45m) last year, remained in the red to the tune of a further $5m (after an extraordinary credit of $25m) in the first quarter of 1984 and is still losing money.

"World demand for copper is strong," said Mr Munroe, although he added that the trouble was that there was just too much of it about. Still, he estimated that over 40 per cent of the world's excess stocks of the metal built up over the past three years would have been liquidated in the first four months of 1984.

Stocks are now lower than in 1979, said Mr Munroe. In that year they also fell sharply and, he added, there was a subsequent upswing in the price cycle. Mr Munroe did not go so far as to suggest that this was about to happen again, but pointed out that if the fall in stocks continued, prices should eventually improve, "perhaps quite strongly."

He said that, historically, price improvements generally begin before stocks have been drawn all the way down. What remains to be seen this time is how much, or how quickly, presently idle mine production capacity can be brought back into action.

This, of course, led Mr Munroe to his familiar theme of continued high copper production, regardless of market conditions, on the part of state-controlled mines in the Third World countries. They give major priority to the earning of much-needed foreign exchange and are aided in this by the International Monetary Fund and other multinational financial institutions

So Phelps and 10 other U.S. copper producers are seeking the protection of U.S. import quotas for copper. This protectionist move which has been roundly condemned by Rio Tinto-Zinc has been tried before without success in the days of President Carter's administration and, some feel, may meet a similar fate with President Reagan. But it is a danger not minimised by the non-U.S. copper producers.

As already reported Phelps is doing all it can to keep its production costs down and is aiming at a broader earnings base via diversification. This year the company also hopes to raise over $150m from sales of assets under the restructuring programme.

Meanwhile, it is preparing to issue $75m of convertible exchangeable preference shares. The proceeds of the issue will go towards the repayment of about $110m of 8½ per cent notes which mature next year.

Gold shares: so many held by so few

ONE reason why the prices of South African gold shares have been keeping up relatively well in the face of a sluggish gold price is the weight of institutional and other money seeking investment, particularly in South Africa and the U.S.

Dr Fred Collender, of stockbrokers Strauss Turnbull, points out in the firm's latest market report that between 80 per cent and 95 per cent of the shares of the major quality South African gold and platinum mining companies are now in the hands of less than 100 individual-institutional shareholders.

For example, 84 per cent of Vaal Reefs' shares are currently held by 86 investors and as much as 92 per cent of Rustenburg Platinum Holdings are in 82 hands.

Dr Collender sees the implication that such shares are continuing to move from weak to strong hands and that on any resurgence of demand prices could "readily rise to substantially higher levels."

He comments on a marked improvement now developing in demand for higher carat gold jewellery but adds that while overall industrial demand continues to rise in the longer term there will also be an increase in mine production, mainly from new mines in Australia and North America.

Any future weakness in the bullion price will, he feels, decrease production and stimulate industrial and speculative demand, whereas rising prices will have the opposite effect. At the same time socio-politic and economic events will intermittently control the gold price in dollar terms.

Thus: "Institutions who have continued to increase their holdings in the quality gold stocks will know that when production does turn down, while demand continues to rise, the gold shares of the long life mines will be in their hands."

Meanwhile, a rise in demand for gold has been predicted by Mr Ted Pavitt, chairman of General Mining Union Corporation (Gencor) at an investment conference in Johannesburg.

He thought that South African production was unlikely to rise much over the next few years and would probably fall in the long term. He also expected a rise in output from other western countries.

South Africa produced 680 tonnes last year compared with 664 tonnes in 1982 while output from other non-Soviet countries rose to an estimated 387 tonnes. Communist bloc sales are thought to have fallen to under 100 tonnes last year.

In London yesterday, a Canadian gold seminar held under the auspices of Nesbitt Thomson Securities (International) the general view was that while the Canadian mines would like to see gold prices of over U.S.$400 per ounce, they could earn acceptable profits at considerably lower price levels.

Nesbitt take the view that while the outlook for gold is negative in the short term, U.S. inflation will move well above the current 4.7 per cent rate by the end of this year.

A cyclical rise in inflation—to double current rates — with economic recovery continuing into 1986 and the debt problems of the less developed countries "should provide a more bullish context for gold prices."

London stockbrokers W. Greenwell spell it out with the forecast that the U.S. dollar will remain strong (and therefore bearish for gold) until after the U.S. presidential election.

Towards the end of the year, however, they expect inflationary expectations to increase and buying of bullion to develop as the dollar starts to weaken and interest rates are squeezed.

They expect the gold price to average $420 per oz in the third quarter of this year and $435 in the final three months. In London yesterday the price closed at $373.

* * *

Improvements in gold recoveries and operating efficiencies at the Marvel Loch mine in Western Australia helped Kia Ora Gold Corporation to lift net profits for the first quarter of this year to A$278,000 (£185,000), compared with A$200,550 in the previous three months.

Gold production rose to 4,493 ounces from 3,631 oz, with the average grade improving from 7.9 grammes per tonne to 8.19 grammes.

Following the receipt by Black Hill Minerals of a feasibility study on its gold joint venture with Australian Occidental near Kalgoorlie, Western Australia, Black Hill says in its latest quarterly report that it may be necessary to utilise the nearby Union South Block as well. Both companies also have interests in the nearby area.

Heavy qualifications for Thames Inv. accounts

Auditors Simmons Cohen Fine and Partners have qualified extensively the annual report and accounts of Thames Investment and Securities, the property group quoted on the Unlisted Securities Market.

The auditors, who are resigning at a forthcoming extraordinary general meeting, are unable to express an opinion on whether the financial statements of the group "give a true and fair view of the state of affairs of the company" as at May 31 1983.

In their report the auditors draw attention to the following matters in the report and accounts.

● Thames Investments has reported that there has been a breach in the borrowing powers set down by the articles of association. A resolution is to be put to shareholders on this issue. "We are unable to comment as to whether or not shareholders' approval will be given," say the auditors.

The auditors say that they are unable to comment on whether the going concern basis, under which the group's financial statements were drawn up, is appropriate.

● The group's investment properties have been substantially written down "having regard to the best information available to the directors. In the absence of formal professional valuations we are unable to form an opinion on the amount of £10.04m at which such properties have been included in the balance sheet.

● The outcome of matters referred to under contingent liabilities, legal proceedings and post balance sheet events "cannot be estimated with any degree of accuracy."

● The amounts of an associated company, Duke Street Developments, are not available. "Whilst provision has been made against the guarantee liability we are therefore unable to satisfy ourselves as to whether any results are to be accounted for in accordance with the statement of accounting practice No. 1," say the auditors.

● No provision has been made for the tax charge which may arise on the disposal of investment properties at their net book value. The potential liability of £463,000 may be reduced by losses depending on the timing and manner of disposals.

● The accounts have referred to the non-compliance with section 49 of the Companies Act in respect of quasi-loans made to former chairman Mr Joe Benjamin.

● The financial statements, prepared after the dates of payments of the preference dividend and reflecting the write down of the property portfolio, show that insufficient distributable reserves were in fact available for payment, which was referred to in the accounts. The payments were made by reference to the accounts for the year ended May 31 1982 which showed sufficient distributable reserves to cover the payments, and were made in accordance with the provisions of section 43 of the Companies Act 1980.

Thames Investment recently began legal proceedings against former group chairman Mr Joe Benjamin for damages.

The accounts disclose that quasi-loans made in contravention of section 49 of the Companies Act were made to Mr Benjamin. On October 28 1983 Mr Benjamin repaid £34,554 to the company in respect of the loans. "An additional sum of £3,038 remains outstanding. Inquiries so far indicate that there are further substantial amounts to be claimed but the full extent of such claims has not yet been ascertained," say the notes to the accounts.

An extraordinary general meeting, adjourned from February 2, will be reconvened at Grindlay Brandts on May 21 at 10.45 am. Shareholders will be asked to consider "whether any, and if so what, measures should be taken to deal with the situation arising by virtue of the fact that the directors consider that the net assets of he company are less than half of the amount of the company's called up share capital."

COMPANY NEWS IN BRIEF

Pre-tax profits of Headlam Sims & Coggins, footwear manufacturer, fell from £355,000 to £306,000 for the year to January 31 1984 but a same-again final dividend of 1.6 holds the net total at 3p per 5p share.

Turnover declined from £5.6m to £4.7m. Earnings emerged at 4.46p (4.82p) per share after tax of £121,000 (£155,000).

* * *

Net asset value per capital share of Ambrose Investment Trust rose in the six months to end-March 1984 but the value per income share fell slightly.

At the end of the period the value per capital share had climbed to 301.06p, compared with 241.76p six months previously and 218.42p a year ago. The value per income share slipped from 32.56p to 31.23p, and compares with 31.57p a year ago.

The final dividend per income share is lifted from 4.8p to 5.4p for a higher total of 8.4p (7.8p).

Gross income for the period was £905,722 (£819,453), and taxable revenue came out at £822,313 (£748,894) after expenses. Tax payable amounted to £242,138 (£223,323).

* * *

Profit, before tax, of James Crean, amounted to I£2.84m for 1983 on turnover of £81.95m. For the previous 18-month accounting period profit amounted to £2.02m on sales of £114.81m. After tax of £970,000 and minority interest of £224,000 the 1983 attributable balance comes to £1.65m, and earnings per share to 14.43p.

The dividend total is 8.25p, with a final of 4.125p. Total for the 18 months was 10.5p.

On the current year the directors state that in Ireland both Tennant and Ruttle and Savage Smyth continued to experience very difficult trading conditions. However, trading in the UK has been satisfactory and the U.S., which made a good recovery in 1983, continues its upward trend.

* * *

Net asset value per 25p capital share of *Fundinvest* rose by 52½p to 319½p over the six months to March 31, 1984 and earnings per 25p income share improved from 1.984p as at March 31, 1983 to 2.071p. Net revenue for the opening half year rose by £10,000 to £261,000 after tax of £114,000, against £117,000. Gross income was little changed at £430,000, compared with £422,000. The net interim dividend is being increased from 1.984p to 2.071p.

BIDS AND DEALS

Financing plan by Ault & Wiborg

Ault and Wiborg, the printing ink, paint and chemicals group in which Sun Chemical of the U.S. has an 83.5 per cent holding, said yesterday that it may make a rights issue to refinance its bank borrowings.

Mr Christopher Strang, chairman, said discussions on the means of financing were being held with Sun and the outcome would probably be known within 30 to 45 days.

A rights issue, if decided upon, would be of either equity or subordinated loan stock and would fund the company's capital spending and expansion as well as reducing borrowings. Bank loans stood at £12.2m at the end of 1983 and have changed little since then, Mr Strang said.

Ault recorded a pre-tax loss of £207,000 in 1983 compared with a loss of £98,000 in 1982, with turnover rising to £68.2m from £60.4m. Its shares held steady at 36p yesterday, compared with the 46p offered by Sun late last year. The bid was opposed by minority holders who said the price was too low.

Frederick Cooper

Frederick Cooper, steel processing company, is raising its net interim dividend from 0.5p to 0.53p on the back of a £135,601 rise in pre-tax profits to £227,189 for the half-year to January 31, 1984. Turnover moved ahead from £8.42m to £9.55m.

Earnings emerged at 2.69p (1p) per 10p share after tax of £17,086 (£15,666).

Finnish counter-bid for Macpherson

BY RAY MAUGHAN

Donald Macpherson Group, the Cover Plus paint manufacturer has attracted a second bid from a Scandinavian company. After rejecting the first bid from Swedish group Becker, which had offered 75p in cash per share, Macpherson has now withdrawn its initial acceptance of the subsequent bid worth £22m from Yule Catto in favour of a cash offer, valued at 125p per share or £22.6m, from Tikkurila Väritehtaat Oy of Finland.

Tikkurila, which owns about 5.5 per cent of Macpherson's equity, is a wholly owned subsidiary of Kemira Oy, a major state-owned Finnish chemical company. Its sales last year translate to about £500m and the Finnish company has had a close trading relationship lasting over 15 years with Macpherson.

Yule Catto, the plantations, industrial chemicals and building products group had offered 34 of its own shares, plus 40, 11¼ per cent cumulative redeemable preference shares 1998/2003 for every 100 Macpherson shares. It said yesterday that it was considering its position.

Yule urged Macpherson shareholders to consider the benefits of its equity offer, supported by an underwritten cash alternative of 110.3p per share, whereby, in the words of Mr Rex Chester, the Macpherson chairman, shareholders "will be able to retain an interest in the recovery potential of Donald Macpherson Group which will form a substantial part of the enlarged group."

But, with the advice of Hambros Bank, Macpherson stressed yesterday that it believes "it is in the best interests of the group and its shareholders to recommend such an offer from Tikkurila which is materially higher than the Yule Catto cash alternative."

In addition, Macpherson said, Tikkurila, "will be able to provide substantial financial and technical benefits to the group which will establish an exciting base for future development and expansion."

The Finnish company will offer a loan note alternative of 125p nominal for every Macpherson share. The note will carry a fixed coupon, to be determined when the formal offer is made, and will be such that it would be expected to command a price of par. Its maximum term will be three years and, although unlisted, will be redeemable at the option of the holder every six months.

Macpherson is accepting because it believes that the deal "has considerable industrial and commercial logic for both companies. The Finnish company claims highly advanced product and process technology and intends to commit substantial financial resources for capital investment.

Dawson Intl. moves into U.S. with £30m bid

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

Dawson International is making its first American acquisition with an agreed £30.3m ($42.5m) offer for J. E. Morgan Knitting Mills, the leading U.S. producer of thermal underwear.

Dawson is one of the leading British knitwear concerns. Based in Kinross, Scotland, it includes such famous names as Pringle, Barrie, Ballantyne, Braemar, McGeorge and Gladstone in its portfolio of companies.

The group has a strong market in the U.S., exporting directly from Scotland or Hong Kong sweaters and yarn worth around $28m last year (£17m at the then exchange rate) out of overseas sales of £71m.

Mr Ronald Miller, chairman, said in London yesterday that the acquisition could be seen as part of the company's strategy of establishing production bases in the strong economies of the world. Last year the company paid approx. £7m for a German spinner, KSW, of Wilhelmshaven, as a first step in this direction.

He did not rule out further takeovers in the U.S. but indicated it would not be for some time. "Morgan Knitting takes us into an area, thermal underwear, with which we are not familiar and we shall digest the company and get to know the market thoroughly before we make any further moves," he commented.

Dawson has financed the deal by allotting 7m shares worth £14.5m to Mr J. E. Morgan, founder-president of the American company, and raising the balance of approximately £15.8m from a five-year dollar loan.

It has taken this route, rather than dip into its copious liquid reserves (£18.5m in cash and £21.7m in investments, according to the 1982-83 balance sheet) in order to strike a balance between cash and loans. The company has just £3m of debt, a figure which left Mr Miller "quite relaxed" but with a feeling of lack of balance.

Dawson now wants to establish a bigger footing in the U.S. and with Morgan Knitting, which sells under the Second Nature label, producing a pre-tax profit of $9.4m (£6.7m) last year on sales of $43.4m (£31m) and net assets worth $22.5m (£16.1m) feels it has the right vehicle.

Morgan has about a third of the American thermal underwear market and is probably twice the size of its nearest competitor. "It has reached this position," according to Mr Philip Kemp, who is being put in as managing director, "without having any sales outside the U.S. — not even across the border in Canada.

"The scope this offers us is enormous. It may even allow us to export to Europe."

Morgan is based in Hometown, Penn., where it employs 1,000 people in five plants in or near the town.

It was founded in 1945 by Mr Morgan, who now becomes chairman.

Dawson believes that Morgan Knitting's strength will enable it to diversify into leisure wear production, a field that is growing at a rapid pace as a consumer market and where it has already taken some steps.

Mr Miller also commented that Dawson's 1983-84 year, which ended on March 31, was "satisfactory" and that a final of 4.9p (4.3p last year) would be paid, making 7.3p (6.5p) for the year.

"Dawson is now well placed as a specialist international textile group to penetrate two of the world's most important markets more deeply," Mr Miller commented.

Dawson International closed at 221p, down 1p on the day. Its share price has risen strongly this year, in line with the textile sector, from a low of 185p.

Rotent Resources lifts Five Oaks stake to 25%

A Swiss-based company, Rotent Resources, has built up a 24.86 per cent holding in Five Oaks Investments, a property development company chaired by management consultant Mr Murdoch Morrison.

Rotent Resources, which has an address in Zurich, first bought into Five Oaks last December, when a 24 per cent stake formerly held by City and Continental Property Group was sold in the market by Barclays Nominees.

Mr Tim Walter, finance director of Five Oaks, said yesterday Rotent Resources had given no indication of its purpose in building up a stake in the company. Its most recent purchase of 313,000 shares took its holding to 1,563,000. Five Oaks' share price held steady yesterday at 37p.

Mr Walter said that apart from Rotent Resources, major shareholders in Five Oaks include investment clients of London stockbrokers Raphael, Zorn, whose combined holding is less than that of the Swiss company.

Mr John Brown, who was chairman of Five Oaks until last September, controlled City and Continental, which is now in liquidation. He was succeeded at Five Oaks by a caretaker chairman, Mr Andrew Rodger, who gave way to Mr Morrison in December.

Mr Morrison represents Steeple Trustee, which owns 8 per cent of Five Oaks. He is also chairman of Blacks Camping and Leisure, whose plan to merge with Greenfields Leisure was disclosed on Tuesday. Mr Morrison was described as the leader of a consortium which bought a 25.75 per cent stake from the Greenfield family.

Action taken by the directors of Five Oaks Investments enabled the company to move from a £72,931 loss to a £71,968 profit at the pre-tax level for the half-year ended December 31 1983. Further development and investment properties are being sought and suitable corporate acquisitions are being examined.

Turnover for the opening half totalled £1.82m. In the comparative half-year turnover amounted to £2.35m. Earnings per 5p share emerged at 1.46p (1.69p loss).

Francis fights Suter with profit and dividend boost

Francis Industries, the tin plate drums and gearbox components group, has made what it hopes is a vigorous defence of the £14m cash and equity offer from Suter.

The main planks of the defence are a profits forecast, a promised dividend rise, a planned, complementary acquisition in the tin container industry and an assertion by Francis' own brokers that the current share price is realistic without any bid element.

Francis forecast an increase of 40 per cent in profits, before tax, this year. Management accounts show that in the first quarter profits have improved by £250,000 on a 14 per cent increase in turnover and the board expects this will translate into pre-tax profits of £2.2m for the full year. After tax of £400,000 this would give earnings of 16p per share.

That provides a platform for a 6p net per share total dividend forecast for 1984, which doubles the rate of distribution paid in 1983 and adds 1p per share to the 1981 dividend.

The earnings forecast, however, does not include an estimate of earnings attributable to the proposed acquisition of Shemtec, first mooted in February this year, which has now been re-negotiated in view of the increase in the Francis share price.

The Shemtec cash consideration is £1.1m to which Francis is adding a further £300,000 to cover estimated working capital needs.

Suter has revised its offer, which reaches its next closing date on May 16. It is now worth 125p in cash or 224p on the cash and equity basis of Suter at 128p, down 1p yesterday.

Public Works Loan Board rates

Effective May 10

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Three	10¼	10⅝	11¼	12	12⅛	12⅛
Over 3, up to 4	10⅞	10⅞	11½	12	12⅛	12⅛
Over 4, up to 5	11	11⅛	11⅜	12	12⅛	12⅛
Over 5, up to 6	11⅛	11⅛	11⅛	11⅞	12	12
Over 6, up to 7	11⅛	11⅛	11⅝	11⅞	12	12
Over 7, up to 8	11¼	11⅜	11¾	11⅞	12	12
Over 8, up to 9	11⅜	11⅜	11⅛	11⅞	12	12
Over 9, up to 10......	11⅜	11½	11⅛	11⅞	12	12
Over 10, up to 15 ...	11¼	11⅛	11⅛	12⅛	12	11⅞
Over 15, up to 25 ...	11⅛	11	10⅞	11⅞	11⅝	11⅞
Over 25	11	10⅞	10¾	11⅛	11⅞	11⅞

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

BIDS AND DEALS IN BRIEF

Derby Trust proposes that its 50p capital shares be sub-divided into 10p shares and the income shares of £1 each be sub-divided into shares of 25p each.

It is also proposed to make an issue to holders of capital shares of warrants to subscribe capital shares following such sub-division on a one for five basis. Subscription rights under the warrants will be exercisable on March 31 and September 30 in any of the years 1985 to 1991 at a price of 115p per capital share.

* * *

Shareholders of **Computer & Systems Engineering**, on the register at the close of business on April 27, are to be invited to purchase 1,762,980 ordinary shares of 20p each at 650p per share. This represents half of the shares to be issued in connection with the acquisition of Rixon. Applications will be accepted up to May 22.

* * *

Rohan Group intends to make an offer to acquire **DAD Properties**. The terms of the offer will be 10 ordinary shares in Rohan in exchange for every 43 ordinary shares held in DAD.

It places a value of 63p on each DAD share in comparison to the last traded price of 52p on May 3 1984.

Irrevocable commitments to accept the offer have been received from four shareholders in respect of 24.7 per cent of DAD.

* * *

Resolutions to approve the offer for **Comet Group** and an increase in the authorised share capital of **Woolworth Holdings** have been passed by shareholders of Woolworth.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: AE, Fitch Lovell, G.R. (Holdings), Lloyds and Scottish, North Atlantic Securities, Royal Bank of Scotland, Vaux Breweries, Warner Estate.

Finals: BOC, James Beattie, Debenhams, John Foster, Garrard and National, Holt Lloyd International, King and Shaxson, Porter Chadburn, Shires Investment, TR Technology Investment Trust, U.E.I., Ward White.

FUTURE DATES

Interims—	
Albion	May 17
Allied London Properties	May 14
English Property Corporation...	May 11
Finals—	
Audiotronic	May 29
Dataserv	†May 11
Duport	May 16
Geers Gross	May 18
London and Lennox Inve. Tst.	May 15
Monks Investment Trust	May 21
Portsmouth and Sunderland Newspapers	June 4
Rolfe and Nolan Computer Services	May 17
Yorklyde	May 11

† Amended.

FINANCIAL TIMES

Thursday May 10 1984

French utility in £75m bulldog bond, Page 44

WALL STREET

Doubts over auction bring slide

AFTER languishing for the first half of yesterday's session, Wall Street fell sharply at midday as investors scented difficulties at the auction of $5.25bn in 10-year Treasury notes, which was expected to set the scene for today's $4.75bn sale of $4.75bn in 30-year bonds, *writes Terry Byland in New York.*

The key long bond plunged to a new low, dipping below 91 for the first time since issue.

Yields well in excess of 13 per cent on the new longer-dated Treasury issues are now a foregone conclusion, with 13.20 per cent recorded yesterday in pre-auction trading in the 10-year notes and 13.25 per cent on the 30-year bonds for sale today. The response to yesterday's auction disappointed those hoping that interest rates had peaked.

Both stock and fixed interest sectors digested the increases in bank prime rates quietly, and investors were not much distressed by widespread predictions that the federal discount rate may be raised again by the end of the week.

The stock market again struggled to resist the downward pull of bond prices, but was overwhelmed as fixed interest stocks slumped.

The Dow Jones industrial average, 2½ points up at 1pm, plunged back by 10 points within the hour. It closed 10.78 down at 1,165.52.

Rates slackened at the short end of the credit markets but pressure was still sufficient to push the federal funds rate to 11 per cent in early trading, at which stage the Federal Reserve announced further system repurchase arrangements.

At midday, the bond market turned

The closing report on Wall Street and updated U.S. market monitors were not available because of continuing industrial action at the Financial Times' printers in Frankfurt.

off sharply, with traders sensing disappointment with the outcome of the treasury auction. The long bond – the 12 per cent of 2013 – fell by more than three quarters of a point, to 90 29/32 with the when-issued yield rising to 13.25 per cent. The 10-year note showed a when-issued yield of 13.20 per cent, awaiting the outcome of the auction.

The most active stock was Atlantic Richfield, which jumped $3⅛ to $50¼ in heavy turnover after the board told a meeting of analysts in New York that oil reserves in Alaska's North Slope, in which Arco has a 50 per cent holding, were being upgraded.

Also active in early trading was City Investing, the insurance and housing group, later suspended at $43¾, up $¼, ahead of the disclosure of an offer of $50 a share from an investor group headed by Merrill Lynch Capital Markets.

The activity in Atlantic Richfield reawakened the oil sector, where Shell Oil lay dormant after the Delaware court decision which blocks the bid from the Royal Dutch parent for the outstanding equity in the U.S. subsidiary.

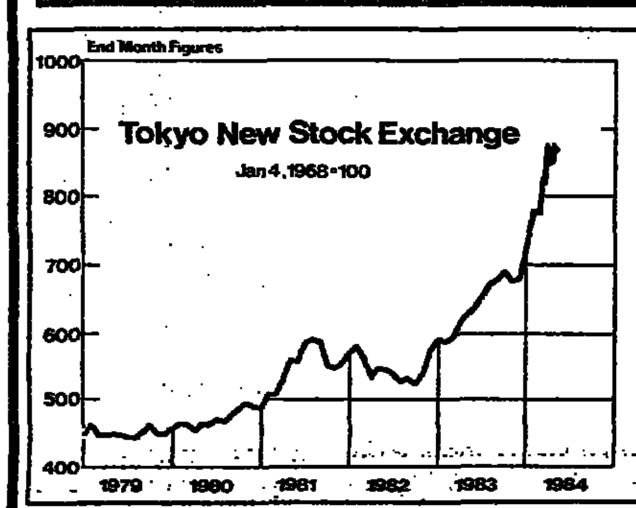
Exxon added $⅝ to $42⅝, and Tenneco, also at $42⅞ showed a gain of $¾, while Phillips Petroleum added $⅜ to $43¼. In the more speculative issues, Unocal jumped $1¼ to $40 in heavy turnover.

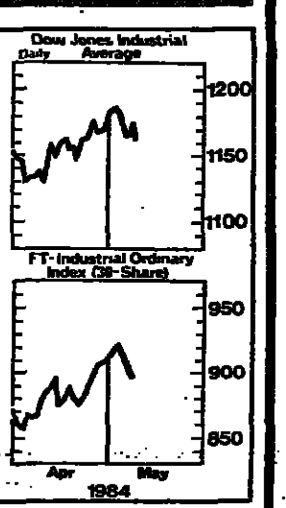
On the American Stock Exchange, Gulf Canada at $14⅜ added $⅛ as speculators hoped for a higher price when the U.S. parent spins off its Canadian arm after completion of its acquisition by Standard Oil of California. Towner Petroleum at $2⅞, and Galaxy Oil at $1⅝ were other speculative energy issues to attract buyers.

Major issues to turn lower as the market weakened included Ford Motor, $1 off at $34⅝, Cigna, the insurance group, down $1⅜ at $37⅞ and Monsanto, $¼ off at $95⅝. Some block selling in ICI of the UK left the stock $⅜ down at $34.

KEY MARKET MONITORS

End Month Figures





STOCK MARKET INDICES

	May 9	Previous	Year ago
NEW YORK			
DJ Industrials	1165.52	1176.30	1228.23
DJ Transport	513.58	514.09	549.40
DJ Utilities	129.09	128.42	129.11
S&P Composite	160.11	160.52	165.81
LONDON			
FT Ind Ord	896.2	904.8	672.6
FT-SE 100	1109.9	1117.6	924.6
FT-A All-share	524.86	527.29	419.34
FT-A 500	573.18	576.1	454.07
FT Gold mines	642.2	632.8	672.6
FT-A Long gilt	10.51	10.52	10.59
TOKYO			
Nikkei-Dow	11,060.29	11,052.44	8,719.88
Tokyo SE	865.79	866.21	637.7
AUSTRALIA			
All Ord.	750.5	750.9	596.2
Metals & Mins.	515.1	518.5	531.8
AUSTRIA			
Credit Aktien	54.79	54.87	58.99
BELGIUM			
Belgian SE	154.47	153.94	121.72
CANADA	May 9	Previous	Yr ago
Toronto			
Metals & Mines	2069.3*	2071.5	—
Composite	2333.3*	2336.5	2552.3
Montreal			
Portfolio	113.67*	113.93	—
DENMARK			
Copenhagen SE	196.69	198.79	142.98
FRANCE			
CAC Gen	180.9	180.5	123.9
Ind. Tendance	113.9	113.5	76.6
WEST GERMANY			
FAZ-Aktien	353.92	355.44	315.38
Commerzbank	1030.4	1035.6	943.8
HONG KONG			
Hang Seng	939.71	1069.65	967.62
ITALY			
Banca Comm.	213.24	212.54	191.34
NETHERLANDS			
ANP-CBS Gen	166.0	164.6	127.5
ANP-CBS Ind	132.8	131.5	107.0
NORWAY			
Oslo SE	296.7	294.28	190.31
SINGAPORE			
Straits Times	978.01	978.48	950.99
SOUTH AFRICA			
Golds	n/a	963.7	928.6
Industrials	n/a	1084.1	912.2
SPAIN			
Madrid SE	120.44	119.67	113.27
SWEDEN			
J & P	1538.64	1538.10	1480.97
SWITZERLAND			
Swiss Bank Ind	384.1	383.2	329.6
WORLD	May 8	Prev	Year ago
Capital Int'l	188.3	188.5	179.3

GOLD (per ounce)

	May 9	Prev
London	$373.00	$372.25
Frankfurt	$373.00	$372.00
Zürich	$372.75	$371.00
Paris (fixing)	$371.86	$373.86
Luxembourg (fixing)	$372.80	$372.30
New York (May)	$371.20	$373.60

* Latest available figure

CURRENCIES

(London)	U.S. DOLLAR May 9	U.S. DOLLAR Previous	STERLING May 9	STERLING Previous
$	—	—	1.39	1.3835
DM	2.766	2.782	3.845	3.85
Yen	228.75	229.0	318.25	317.0
FFr	8.4825	8.5325	11.785	11.8
SwFr	2.2775	2.281	3.1675	3.1575
Guilder	3.111	3.125	4.325	4.325
Lira	1708.5	1716.5	2374.0	2374.0
BFr	56.47	56.53	78.5	78.2
C$	1.29475	1.29625	1.7995	1.7925

INTEREST RATES

	May 9	Prev
Euro-currencies (3-month offered rate)		
£	9 9/16	9½
SwFr	4	4⅛
DM	5	5 15/16
FFr	12⅞	12⅞
FT London Interbank fixing (offered rate)		
3-month U.S.$	11⅜	11 7/16
6-month U.S.$	12	12 1/16
U.S. Fed Funds	10⅞	10⅞
U.S. 3-month CDs	11.15	11.10
U.S. 3-month T-bills	10.99	10.06

U.S BONDS

Treasury	May 9* Price	May 9* Yield	Prev Price	Prev Yield
11⅜ 1986	99 9/32	12.27	99 19/32	12.17
12⅞ 1991	96 24/32	13.10	97 9/32	13.01
11.75 1993	92 14/32	13.17	93	13.06
12 2013	90 29/32	13.22	91 24/32	13.10
Corporate	**May 9* Price**	**Yield**	**Prev Price**	**Yield**
AT & T				
10⅜ June 1990	88⅜	13.15	89⅞	12.80
3⅞ July 1990	70½	10.50	70½	10.50
8¾ May 2000	67¾	13.80	69⅝	13.65
Xerox				
10⅜ March 1993	85⅛	13.55	86⅞	13.20
Diamond Shamrock				
10⅜ May 1993	84⅞	13.65	85⅞	13.40
Federated Dept Stores				
10⅜ May 2013	78½	13.60	79⅞	13.40
Abbot Lab				
11.80 Feb 2013	87	13.60	88⅞	13.35
Alcoa				
12¼ Dec 2012	87⅞	14.00	89¼	13.75

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
June	62-24	63-17	62-23	63-17
U.S. Treasury Bills (IMM) $1m points of 100%				
June	89.58	89.67	89.56	89.64
Certificates of Deposit (IMM) $1m points of 100%				
June	88.41	88.57	88.39	88.60
LONDON				
Three-month Eurodollar $1m points of 100%				
June	88.35	88.48	88.32	88.74
20-year Notional Gilt £50,000 32nds of 100%				
June	104-28	105-18	104-24	105-16

COMMODITIES

(London)	May 9	Prev
Silver (spot fixing)	625.65p	618.05p
Copper (cash)	£1012.50	£1005.00
Coffee (May)	£2146.00	£2162.50
Oil (spot Arabian light)	$28.25	$28.25

LONDON

Speedy end to promising recovery

MORE EXPENSIVE UK borrowing costs cut short a promising early recovery in leading industrials in London and the FT Industrial Ordinary index fell 8.6 for a three-day fall of 26.6 to 896.2.

NatWest was the first major bank to raise its lending rate from 8½ per cent to 9 per cent, with the other major banks soon following suit, although Midland's slightly higher ¾ percentage point rise to 9¼ caught some by surprise.

Initial strength was discovered in Wall Street's firm overnight performance. Some unease followed reports that a U.S. source was offering over 1m shares in ICI, the order for which was not effected in London but was later made in New York. ICI dipped 8p to 606p.

Datastream benefited from the Dun & Bradstreet bid and put on 173p to 533p, while Extel, another business information group, rose 40p to 577p. Building contractor Costain gained 6p to 292p on results.

Gilt investors were timid and quotations surrendered small early gains to close on a mixed note. Worries about UK inflation induced revived support of index-linked gilts, some of which gained ½.

Chief price changes, Page 36; Details, Page 37; Share information service, Pages 38-39.

AUSTRALIA

THE RECENT weakness in resource related stocks continued in active Sydney trading yesterday, which took the All Ordinaries index down 0.4 to 750.5 and the Metals and Minerals index 3.4 lower to 515.1.

CRA lost a further 4 cents to A$5.86 following pessimistic board statements on profitability. So far this month, the group share price has dipped by 20 cents. MIM Holdings, weakened further by 7 cents to A$3.25 after reporting a first-quarter loss due to lower metal prices.

HONG KONG

CONCERN over an imminent rise in local interest rates, which in fact occurred after the close of trading, pushed Hong Kong sharply lower yesterday with the Hang Seng index dropping 29.94 to 939.71 for the regular half-day session.

Cheung Kong fell 40 cents to HK$8.20 and China Light 50 cents to HK$10.60, while Hongkong Land eased 7.5 cents to HK$3.05. Hutchison Whampoa dipped 80 cents to HK$14.70.

In weaker banks, Hang Seng was 75 cents down at HK$35.25 and Hongkong and Shanghai eased 10 cents to HK$6.50.

Trading was thin before the start of the next round of Sino-British talks on the future of the colony.

SINGAPORE

POLITICAL factors continued to dog Singapore in the dullest day of trading for the year. The Straits Times index finished 0.47 lower at 978.01.

Some comfort was found in that losses for leading shares were small. Hong Leong eased 6 cents to S$3.30 and Boustead slipped 3 cents to S$2.59. OCBC, however, managed to hold a 10-cent advance to S$10.40 and Promet recovered some of its recent weakness with a 8-cent rise to S$3.80.

SOUTH AFRICA

A TECHNICAL recovery among gold shares in Johannesburg recouped some of the previous session's losses on the strength of the improved bullion price.

Free State Geduld moved R1.50 ahead to R49, but still within its recent narrow trading range, while Buffels gained a similar amount to R78.50.

Mining financials were mixed with Anglo American Corp 20 cents down at R23.40 – although diamond issues were steady with De Beers unchanged at R9.35.

EUROPE

Domestic matters dominant

DOMESTIC TRENDS were at the centre of attention in many European centres yesterday with transatlantic developments proving to be of peripheral interest.

The overnight spur to Wall Street helped to underpin activity, but Tuesday's rise in U.S. prime interest rates appeared to have already been discounted and had little effect.

Encouraging company news helped to sustain **Frankfurt** early in the session, as did foreign demand for stocks on hopes of the currency gains to be made with a D-Mark recovery.

However, this optimistic mood was soon overtaken by fears of further industrial unrest with the second IG Metall strike ballot held during the day widely expected – in the event correctly – to produce further support for stoppages.

By the close, shares were mixed and the Commerzbank index, calculated at midsession, was down 5.1 at 1,030.4.

Among electricals, PKI proved to be a striking exception following its announcement of a DM 9 dividend and DM 7.50 bonus on 1983 results, compared with the DM 5 payout for 1982. It added DM 35 to DM 375.

Among other electricals, further consideration of Siemens' higher first-half profit failed to stem a DM 1.60 decline to DM 397.80, following Tuesday's 10 pfg loss.

AEG shed DM 1 to DM 100.20, following the previous day's DM 2.60 gain when it announced it had returned to profit for 1983.

In the chemicals sector, Hoechst rose DM 1 to DM 183 after its 56.1 per cent rise in first quarter 1984 pre-tax profits.

A generally lower motor sector saw VW recoup early losses to end unchanged at DM 196.20 following comments, attributed to bankers, that the company's first-quarter net profit was substantially over DM 10m.

Bonds held generally unchanged in quiet trading with operators remaining out of the market in view of the D-Mark's weakness, the threat of industrial action and the higher interest rates in the U.S. which are exerting downward pressure on U.S. bond prices.

The Bundesbank sold DM 10.2m of domestic paper to balance the market, compared with its DM 4.8m of purchases during the previous session.

In **Amsterdam**, institutional demand on expectations of good first-quarter corporate results and optimism over the economy lifted a market in which there was a marked absence of sellers.

The ANP-CBS General index gained 1.40 to 166 with advances outnumbering declines by a ratio of two-to-one.

Bond prices were steady to slightly easier, although there was a warm reception for the announcement of an 8.5 per cent seven-year state loan tender.

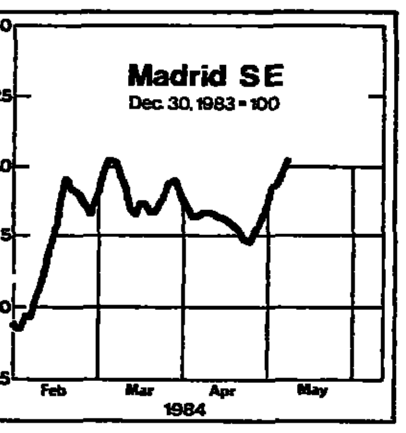
There was also considerable foreign interest in the loan although dealers were wary about overseas demand for it in view of the growing interest rate differentials between the U.S. and Europe.

Brussels turned higher in brisk trading. However, Electrobel, the electrical holding company, fell back BFr 80 from the year's high achieved on Tuesday to BFr 6,850 on the view that the stock had overstretched itself in recent days.

Lead and zinc producer, Vielle Montagne was also lower, falling BFr 65 to BFr 4,075 following the company's announcement that it was planning to issue BFr 850m of new capital in the form of a one-for-three share issue.

Market leader Petrofina shed BFr 20 to BFr 7,930 despite the view that Friday's shareholders' meeting was unlikely to produce any surprises.

Sentiment in **Zurich** was underpinned by the announcement that inflation slowed in April for the first time since last September.



Shares ended the day firmer with little impact being made by the decision of the major banks to raise by ¼ point their customer time deposits – a bellwether rate for the Swiss markets.

The bond market continued depressed by the firm dollar with foreign bonds lower and domestic issues barely steady.

A fall in French daily money rate to 11½ per cent – the lowest level since March 1981 – provided impetus for shares as **Paris** opened following Tuesday's public holiday.

Oil and engineering issues benefited most from the day's advance.

The construction group Bouygues shed FFr 5 to FFr 718 as the group president forecast an increase in after-tax turnover from FFr 8.09bn last year to FFr 22bn this year and FFr 24bn in 1985.

Madrid advanced in moderate trading, taking the bourse index up 0.77 to 120.44 – its highest level for the year.

Milan was mixed to steady, with Montedison up L1.6 to L214 as it reported reduced losses for 1983.

In an otherwise mixed **Stockholm**, Volvo continued to be actively traded – accounting for nearly a quarter of the day's turnover – amid optimism over the group's prospects for 1984. The shares ended SKr 7 higher at SKr 500.

TOKYO

Subdued tone after setback

ACTIVITY remained subdued in Tokyo yesterday. After opening on a firm note in apparent reaction to Tuesday's severe setback, the market turned aimless for lack of buying support from nervous investors, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow Jones market average hovered around Tuesday's closing level to finish 7.85 ahead at 11,060.29. Losers outnumbered gainers 365 to 353.

Relatively active trading in big-capital steel and chemical issues helped swell volume to 391.09m shares from Tuesday's 361.55m.

The market saw small-lot buying early in the morning and bargain buying was encouraged by Wall Street's firm performance in the face of a rise in U.S. prime lending rates.

Buying interest, however, generally remained weak as margin debt on the three major exchanges continued at record levels amid renewed fears of increased foreign selling following the yen's slide against the dollar.

Incentive-backed issues were bought selectively. Sumitomo Metal Industries rose Y5 to Y196 on news of the company's advance into the field of electronic materials.

Hidden-asset issues also attracted buyers, with Nippon Express adding Y8 to Y333, the highest since it was listed on the Tokyo exchange. Warehouse issues also gained ground.

Elsewhere, Mazda Motor, which had lagged during the market's advance, gained Y14 to Y537 on news of brisk vehicle sales. Bank of Tokyo surged Y49 to Y590 on foreign buying.

The market outlook is uncertain as institutional investors are moving to the sidelines and individual investors are daunted by the continued high levels of margin debt.

The bond market strengthened slightly in thin trading. Financial institutions generally shied away in response to the yen's decline and higher short-term interest rates in the U.S.

The yield on the benchmark 7.5 per cent long-term government bond due January 1993 fell to 7.275 per cent from Tuesday's 7.290 per cent.

CANADA

THE MAIN focus of attention in Toronto was the path of interest rates and, pending confirmation of a new surge in borrowing costs, investors remained cautious. All stock sectors were lower, although oil and gas shares fored than other resource-related issues.

Utilities proved to be the only bright spot in Montreal, with some weakness evident in banks.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
20⅝	13⅛	AAR	.44	2.2	21	170	20⅜	20	20⅛	-⅛
53	31½	ACF	1.40	2.7	653	600	52¾	52⅜	52½	+⅛
18⅝	13⅞	AMF	.50	3.0		487	16¾	16⅝	16½	-⅛
41¾	28	AMR Cp			7	6423	36	35	35½	+¼
20⅞	17½	AMR	pf2.18	11.		60	20	19⅞	20	
41½	28⅝	AMR	pf2.13	5.7		1878	37½	36⅞	37	+¼
26⅛	23	ANR	pf2.67	11.		662	23¾	23¼	23¾	
23⅞	18½	ANR	pf2.12	9.9		401	21½	21½	21½	
16¾	7	APL			4	54	13⅛	13	13	-⅛
55¾	40¾	ARA	2.10	4.4	10	481	47½	46½	47¼	
77¼	50¾	ASA	3a	5.0		1497	62	59	59¾	-1¼
33¾	17	AVX	s .32	1.5	16	303	21⅝	21⅛	21⅛	
53⅞	38¾	AbtLab	1.20	2.8	15	1785	43⅞	43	43⅞	-⅛
30¾	23¼	AccoWd	.60	2.2	18	474	27½	27¼	27½	+¼
27½	20	AcmeC	.40	1.9		51	21¼	20¾	21¼	
13	8⅝	AcmeE	.32b	3.2	27	29	9⅞	9¾	9⅞	
24⅝	12⅝	AdmDg	.04	.3	8	56	14¼	14	14¼	
18¾	15⅞	AdaEx	2.11e	13.		51	16¼	15¾	16	+¼
19¾	11	AdmMl	.28	1.6	8	40	17	16¾	17	+¼
22	14½	AdvSys	.811	5.1	15	105	16½	15¾	15¾	-¼
18½	8⅞	Advest	.12	1.2	12	93	9⅞	9⅞	9⅞	-⅛
37½	21¼	AMD	s		27	5736	33¾	32⅞	33	-¼
24⅝	11⅞	Aerflx	s		12	18	12⅞	12⅝	12⅝	+⅛
43½	33¼	AetnLf	2.64	8.1	17	3471	33⅞	d32⅝	32¾	-1⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

B-B-B

C-C-C

D-D-D

E-E-E

F-F-F

G-G-G

H-H-H

I-I-I

J-J-J

K-K-K

L-L-L

M-M-M

N-N-N

O-O-O

P-Q

Continued on Page 35

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued on Page 36

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 34

X–Y–Z

High	Low	Stock	Div. Yld. P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
52⅛	38⅝	Xerox	3 7.5 9	3683	40½	39⅞	40¼	+⅜
53½	47	Xerox	pf5.45 11	1866	49½	49	49¼	−⅛
37	21⅛	XTRA	.26 10	39	24⅝	24½	24½	−½
34	24	ZaleCp	1.26 4.8 11	5	26¼	26½	26½	−⅛
24⅝	15⅛	Zapata	.84 3.6 14	378	23¼	23½	23½	
47½	28¼	Zayre	s.40b 1.1 11	136	35⅛	35	35¼	−⅛
38⅝	20⅜	ZenithE	12	1366	30⅛	29¼	30¼	+⅛
27⅝	19¼	Zero	s.36 1.7 19	4	21⅞	21⅞	21⅞	+⅛
37⅞	21⅛	Zurnin	1.32 5.5 11	200	24¼	23¾	24	+⅛

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AUSTRIA

May. 9	Price Sch%	+ or −
Creditanstalt	211	−2
Goesser	325	−1
Interunfall	403	−4
Laenderbank	205	......
Perlmooser	366	+3
Steyr-Daimler	149	......
Veitscher Mag	216	−1

BELGIUM/LUXEMBOURG

May 9	Price Frs.	+ or −
ARBED	1,845	+5
Banq Int A Lux	6,000	......
Bekaert B	4,375	+100
Ciment CBR	2,360	+10
Cockerill	318	−3
Delhaize	4,870	......
EBES	2,585	+25
Electrobel	6,850	......
Fabrique Nat	2,155	+5
GB Inno BM	3,060	−10
GBL (Brux)	2,350	+30
Gevaert	3,345	−5
Hoboken	5,480	−20
Intercom	2,130	+10
Kredietbank	7,190	+70
Pan Hldgs.	9,950	......
Petrofina	7,960	−20
Royale Belge	9,200	+50
Soc. Gen. Banq	3,210	+6
Soc. Gen. Belge	1,870	+20
Sofina	6,410	−90
Solvay	4,165	+10
Tractionel	3,830	−10
UCB	5,240	+30
Vieille Mont	4,075	−65

DENMARK

GERMANY

May 9	Price Dm.	+ or −
AEG-Telef	100.2	−1
Allianz Vers	783	−4
BASF	166.6	+0.1
Bayer	172.8	−0.2
Bayer-Hypo	284	−4
Bayer-Verein	332.6	−2
BHF-Bank	280	−1
BMW	390.5	−2.5
Brown Boveri	215.5	+0.3
Commerzbank	174.5	−1.2
Cont'l. Gummi	128.1	−1.1
Daimler-Benz	576	−4.2
Degussa	372xr	......
Demag	146	......
D'sche Babcoc.	162	+0.6
Deutsche Bank	383.5xd	−0.2
Dresdner Bankk.	173.3	−1.2
GHH	148	......
Hochtief	582	+9
Hoechst	183	+1
Hoesch Werke	115.6	−0.3
Holzmann (P)	433	......
Horten	195.5	......
Kali und Salz	201	+3.5
Karstadt	269.8	+3.3
Kaufhof	246.5	......
KHD	246	−4.5
Kloeckner	59	+1
Krupp	78	......
Linde	388	+3.8
Lufthansa	146	−4.5
MAN	150.5	+0.5
Mannesmann	147.2	−1.3
Mercedes Hld	501	−3.5
Metallgesell	245.5	+2.5
Muench Rueck	1,150	+10
Preussag	270.5	−3.5
Rhein West Elect	162.8	−1.1
Rosenthal	329	......
Schering	348	+0.6
Siemens	397.8	−1.6
Thyssen	84.1	−0.4

FRANCE

Petroles Fra.	306	+8
Peugeot S.A.	251	−3
Poclain	45	−0.7
Printemps Au.	157	−8
Radiotech	308	−12
Redoute	1,260	+30
Roussel-Uclaf	1,120	+4
Schneider S.A.	98.9	−1.1
Sefimeg	273.9	+8.9
Skis Rossignol	1,419	+6
Telemech Elect	1,763	+23
Thompson (CSF)	314	+9
Valeo	272	−3

NETHERLANDS

Ommeren (Van)	31.6	+0.8
Pakhoed	67.6	+2.6
Philips	43.1	+0.7
Rijn-Schelde	2.8	−0.2
Robeco	66.3	+0.4
Rodamco	135.8	+0.1
Rolinco	64.8	−0.7
Rorento	202.6	+0.2
Royal Dutch	160.4	+0.5
Unilever	264.0	+0.4
VMF Stork	130	+3
VNU	157	+3.2
West Utr Bank	94.6	......

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

SPAIN

SWEDEN

SWITZERLAND

ITALY

AUSTRALIA

HONG KONG

JAPAN

SINGAPORE

SOUTH AFRICA

CANADA

TORONTO

Prices at 2.30 pm

May 9

Sales	Stock	High	Low	Close	Chng
60	Abti Prce	$25⅝	25⅜	25⅝	−⅛
19200	Czar Res	189	185	186	
27455	Daon Dev	170	168	170	
2750	Denison A	$18	18	18	
38100	Denison B f	$17	16⅞	17	
3900	Develcon	$10¼	9⅞	10	
800	Dicknsn A f	$6⅞	6⅞	6⅞	
200	Dicknsn B	$6¼	6¼	6¼	

MONTREAL

Closing prices May 8

OVER-THE-COUNTER

Nasdaq national market, 3pm prices

LONDON

Chief price changes
(in pence unless otherwise indicated)

RISES

Tr. 2½pc IL 2003	£95¼	+ ½
Arlen Elect	54	+ 12
Atkins Bros.	133	+ 7
Costain	292	+ 8
Datastream	533	+ 173
Derby Tst Cap.	425	+ 13
Dowty	137	+ 6
Euro Ferries	117	+ 18½
Extel	577	+ 40
Foster Bros.	148	+ 4
Initial	408	+ 8
Macpherson (D.)	122	+ 13
Sidlaw	465	+ 27

FALLS

Amstrad	102	− 6
Beecham	316	− 6
Courtaulds	150	− 5
Gerrard & Nat	310	− 8
Grand Met	346	− 4
ICI	606	− 6
Lee Cooper	128	− 12
Legal & General	460	− 8
Lloyds Bank	595	− 8
Lon & Liver Tst.	8	− 6½
Marley	88	− 8
Redland	285	− 11
Simon Engin	458	− 15
Tate & Lyle	395	− 5
Atlantic Res	80	− 6
CRA	386	− 6
Cons. Gold Flds.	552	− 11

Continued on Page 44

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 35

LONDON STOCK EXCHANGE

MARKET REPORT

Promising equity rally cut short by base rate rises and index falls 8.6 more to 896.2

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Apr 9	Apr 26	Apr 27	May 8
Apr 30	May 10	May 11	May 21
May 14	May 31	June 1	June 11

* "New-time" dealings may take place from 9.30 am two business days earlier.

Clearing bank announcements of dearer UK borrowing costs cut short a promising early recovery in leading industrials yesterday. NatWest was the first to raise its base lending rate, from 8¾ to 9 per cent, and the other three big banks soon followed. Midland caused some surprise by announcing a slightly larger rise of ¾ to 9¼ per cent; Barclays, which calculates its rate on a market formula, moved up ½ to 9¼ per cent.

A more encouraging trend overnight on Wall Street initially influenced equity market sentiment, but the tone was already softening ahead of the mid-morning base rate announcements. The appearance of several lumpy lines of stock, some of which were put through the market, arouse indecision which give rise to talk of a fund reducing its investment portfolio.

The sales were well absorbed with the notable exception of ICI. Business in the chemical giant was inhibited by reports that a U.S. source was offering a million or so shares. The order could not be effected in London but was later done in New York. Beecham, Courtaulds, Cable and Wireless and Redland were prominent among the names mentioned in the divestment, while substantial put-throughs were completed in BSR and Kwikfit.

Many other leading stocks retreated from higher opening levels, but were only marginally easier at mid-day. Throughout the afternoon and after the official close, however, the downturn quickened and the FT Industrial Ordinary share index, 4.2 higher at 10 am, closed a net 8.6 down for a three-day fall of 26.6 to 896.2.

Having idscounted higher interest rates here and across the Atlantic, Government securities staged a tentative rally. Investors in this market, too, were extremely timid and quotations soon surrendered small early gains to close on a mixed note. Short and medium life issues were often a fraction easier, while selected high coupon longs displayed minor improvement. Worries about UK inflation induced revived support of index-linked Gilts, some of which gained ½.

Banks down again

Higher base lending rates made no early impression on the major clearing banks. Prices, however, later drifted lower on lack of support and Lloyds eventually sustained a fresh fall of 8 at 595p. Midland were 5 down at 385p. Elsewhere, Bank of Scotland were again friendless at 315p, down 10, but Standard Chartered, at 502p, retrieved 7 of the previous day's decline of 20 awaiting today's annual meeting. ANZ firmed 8 to 388p following news of a susbidiary's satisfactory interim figures. Discount Houses reflected concern over the trend towards dearer money and gave ground. Ahead of today's preliminary figures, Gerrard and National lost 8 to 310p. Cater Allen declined 15 to 520p and Union 10 to 725p.

Unsettled fears that the Chancellor is about to tighten tax concessions on personal pension policies, Life Insurances fell away in thin trading. Legal and General and Prudential both gave up 8 to the common level of 480p. Sun Life shed 6 to 546p and Equity and Law 7 to 730p.

Among recently - issued equities, oil and gas exploration group Petranol drew fresh support and rose 10 to 435p. Body Shop International continued to attract speculative interest on takeover hopes and firmed 5 for a two-day gain of 15 to 210p.

Brewery investors continued to hold off ahead of the dividend season. Bass, which is due to report interim results on May 23, closed at the overnight level of 370p, while Greenall Whitley hardened a penny to 151p ahead of the half-yearly statement, scheduled for May 17.

Increased competition fears following ARC and Tarmac's joint venture into the concrete roofing tiles market unsettled Marley and Redland; the former fell 8 to 88p, while the latter shed 11 to 285p. Other leading Buildings also gave ground, although selling was described as relatively light. Blue Circle eased 5 to 413p and BPB slipped 3 to 315p. Barratt Developments remained a depressed market and lost 2 more to a 1984 low of 122p, but Costain, at 292p, regained the previous day's fall of 6 following favourable comment on the annual results. Recently firm John Laing ran into profit-taking and shed 5 to 217p, while speculative counter John Finlan lost the same amount to 205p.

After opening a shade higher at 614p, ICI reacted to 604p as dealers shunned a line of 1m shares on offer in early dealings; the price rebounded sharply to 612p after-hours' before slipping back again to close a net 6 off at 606p.

Lee Cooper fall

Confirmation of dearer money made for quietly dull conditions among leading Stores. Marks and Spencer gave up 4 at 255p, while British Home declined the same amont to 218p on further consideration of the annual results. Debenhams, scheduled to announce preliminary figures today, softened a couple of pence to 183p. Burton dropped 5 to 282p as did Gussies A, to 623p. Lee Cooper provided a dull secondary feature, falling 12 to 128p on the surprise 16 per cent contraction in annual earnings. Profit-taking in the wake of the impressive first-half profits performance clipped 5 from G. B. Castle, at 92p, but Foster Bros Clothing drew encouragement from sharply increased profits and touched 152p before closing a net 4 higher at 148p. Press comment ahead of tomorrow's annual meeting helped Church rise 10 to 415p. Martin The Newsagent gained 3 to 280p awaiting further developments in the bid situation following the board's strong rejection of W. H. Smith's share-exchange terms. Among Shoes, Garner Booth put on 2 more for a two-day advance of 20 to 150p after comment on the excellent results.

Leading Electricals were inclined easier in quiet trading. Elsewhere, BSR closed 4 lower at 278p following a vendor placing of 2m shares. Amstrad fell 6 to 102p on the proposed £12.9m rights issue, but Arlen took a distinct turn for the better and rallied 12 to 54p. UEI, up 4 further at 194p, continued firmly ahead of today's preliminary figures.

Dullness in the Engineering leaders mainly reflected lack of support. Hawker drifted off 8 further to close at 442p and TI eased 6 to 248p, while GKN finished a couple of pence cheaper at 204p. Simon, down 15 at 458p, remained on offer after the preliminary figures and cautious statement on outlook. Scattered losses elsewhere included Hall Engineering, 4 cheaper at 128p, and Staveley Industries, a like amount down at 242p. Porter Chadburn eased 2½ to 124½p awaiting today's preliminary results.

Leading Foods ran into scattered selling and Tate and Lyle lost 5 to 395p, while S. and W. Berisford slipped 3 to 189p. United Biscuits shed 3 to 170p following the annual meeting; the warrants eased 1½ to 39p. Among Retailers, late offerings clipped 4 from Associated Dairies, at 178p. Ames Hinton fell 5 to a 1984 low of 247p.

Leading Hotels and Caterers gave ground on lack of support and Grand Metropolitan settled 4 easier at the day's lowest of 346p.

Euro. Ferries feature

Most miscellaneous industrial leaders moved narrowly but Beecham, reflecting a line of a stock on offer, eased 6 to 316p. BOC Group, awaiting today's half-yearly figures closed a couple of pence lower at 291p. Elsewhere, European Ferries responded to the good results and proposed change in capital structure by rising 18½ to 117p in active trading. The agreed bid from Dun and Bradstreet for Datastream, which jumped 173p to 533p, enlivened interest in Extel, 40 higher at 577p. Still reflecting BET rationalisation hopes, Initial improved 8 further to 408p an Advance gained 4 to 80p. News of the agreed counter-bid from a Finnish chemical company left D. Macpherson 13 higher at 122p. Revived demand prompted a rise of 27 to 465p in Sidlaw, while Smith and Nephew improved to 234p following comment on the first-quarter figures before settling only 2 firmer on balance at 230p. Trafalgar House moved up to 262p immediately after the half-yearly figures, but drifted back on scattered offerings to close unaltered on the day at 255p. Francis Industries hardened a penny to 129p following the letter to shareholders urging rejection of Suter's bid. In contrast, late nervous offerings left London and Liverpool 6½ lower at 8p.

Among Leisure issues, Barr and Wallace Arnold Trust A continued to respond to the satisfactory annual results and firmed 5 for a two-day gain of 7 to 105p. On the other hand, Intasun encountered scrappy selling and shed 5 to 160p, while USM-quoted Adam Leisure lost 3 to a 1984 low of 29p.

News of the Brazilian coal mining equipment order helped Dowty advance 6 to 137p and feature an otherwise lacklustre Motor sector. BL hardened a penny to 66p on relief that the Longbridge stoppage was over.

A shade firmer initially, leading Properties slipped back after the base rate increases to close virtually unchanged. Elsewhere, recently-firm C. H. Beazer ran into profit-taking and lost 10 to 400p, but Peel Holdings, still responding to Press comment, firmed 4 more to 254p.

Courtaulds took a distinct turn for the worse, falling 5 to 150p; the preliminary figures are scheduled for May 29 but sentiment yesterday was not helped by the British Textile Confederation President's remarks that the upturn in the industry may not continue beyond the Autumn. In complete contrast, Atkins Bros. (Hosiery) rose 7 to 133p on buying ahead of the results, due early next month.

Tobacos suffered from a complete lack of interest. Bats fell 6 to 230p and Imps 3 to 160p.

Derby Trust Income added 6 at 375p and the Capital shares gained 13 to 425p following the share subdivision proposals. Among Financial Trusts, Walter Duncan and Goodricke firmed 30 to 770p.

Still reflecting hopes that Trafalgar House might renew its offer, P & O Deferred touched 328p before closing a penny harder on balance at 326p.

Oils mixed

Leading Oils were mixed. The majority gained ground in the early trading but subsequently drifted back around midday before settling a couple of pence firmer on balance in the after-hours' trade. Burmah, 184p, Shell, 650p and Ultramar, 650p were all around 3 better, the last-named in front of first-quarter results, due today. BP touched 508p and 501p prior to closing unaltered on balance at 503p, but IC Gas drifted back to close 7 cheaper at 305p. Onshore issues showed Carless Capel and Hadson Petroleum a couple of pence firmer apiece at 245p and 80p respectively.

Irish stocks were an erratic market. Atlantic dropped to 76p before closing 4 cheaper at 80p, while Aran eased 2 to 70p and Eglinton 5 to 223p. On the other hand, Bryson put on 10 to 630p and Invent Energy 7 to 380p. Elsewhere, Canada's Double Eagle attracted renewed speculative buying and moved up 4 to 44p.

Inch Kenneth featured Plantations, rising 25 further to 940p on Far-eastern support.

Golds rally

A much steadier performance by the bullion price, which closed a fraction harder at $373 an ounce despite renewed firmness in the dollar, encouraged a useful rally in South African Golds after Tuesday's heavy losses.

Widespread bear closing and modest "cheap" buying produced good gains throughout the list although closing levels were generally a shade below the day's highs.

The Gold Mines index moved up 9.4 to 643.2, having fallen over 38 points over the previous two trading days.

The best performance in the top-quality issues came from Randfontein which advanced £2 to £107, while Hartebeest, resilient market despite the recent weakness of the sector, rose ¾ to a 1984 high of £61¾ ahead of the proposed share-split. Similar gains were recorded by Winkelhaak, £38¼, Southvaal, £45¾, Free State Geduld, £28, and Western Holdings, £34½.

Cheaper priced stocks were often overlooked but provided a couple of firm spots in ERGO, 20 to the good at 630p and Welkom, which added 30 at 869p.

A number of the South African Financials staged a minor rally, most notably, De Beers, 4 harder at 532p, and Gold Fields of South Africa, ½ firmer at £16½. On the other hand, London Financials gradually retreated on persistent small selling encouraged by the easier trend in domestic equities and the recent heavy falls in base-metal markets. Consolidated Gold Fields featured with an 11 decline at 552p while Rio Tinto-Zinc dipped 6 to 639p, Hampton Areas 5 to 225p and Charter Consolidated 2 to 238p.

Australians lost ground for the third successive trading session, but falls owed more to a general lack of interest rather than any substantial selling pressure.

The expiry of the May series boosted Traded Option volume with contracts struck amounting to 5,375, comprising 3,706 calls and 1,669 puts. The new FTSE 100 index attracted another good demand with 1,146 deals done—664 calls and 482 puts.

FINANCIAL TIMES STOCK INDICES

	May 9	May 8	May 4	May 3	May 2	May 1	year ago
Government Secs ...	80.46	80.54	81.02	81.40	81.53	81.66	81.15
Fixed Interest	85.38	85.53	85.86	85.69	85.88	86.83	83.01
Industrial Ord..........	896.2	904.8	915.4	922.8	919.4	916.8	672.6
Gold Mines	643.2	632.8	665.1	671.4	668.0	672.8	672.6
Ord. Div. Yield.........	4.35	4.32	4.27	4.24	4.25	4.24	4.67
Earnings, Yld.% (full)	10.08	10.00	9.89	9.82	9.84	9.79	9.27
P/E Ratio (net) (*).....	11.96	12.06	12.20	12.29	12.26	12.33	13.55
Total bargains (Est.)	20,095	21,568	23,297	25,993	24,740	20,001	20,768
Equity turnover £m.	—	239.29	243.72	276.79	372.12	277.46	217.05
Equity bargains	—	20,623	20,253	19,862	21,470	20,714	17,085
Shares traded (ml)....	—	138.6	141.6	166.6	186.7	187.5	118.8

10 am 908.0. 11 am 908.5. Noon 903.6. 1 pm 902.0. 2 pm 901.4. 3 pm 899.9.

Basis 100 Govt. Secs. 8/1/58. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

*Nil=11.39.

HIGHS AND LOWS — S.E. ACTIVITY

—	1984 High	1984 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	81.77 (9/1)	80.48 (9/5)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int..	87.48 (14/3)	85.38 (9/5)	155.4 (28/11/47)	50.03 (3/1/75)
Ind. Ord....	922.8 (3/5)	770.3 (4/1)	922.8 (2/5/84)	49.4 (26/6/40)
Gold Mines	711.7 (9/5)	580.2 (17/1)	734.7 (15/2/83)	43.5 (28/10/71)

	May 8	May 4
—Daily Gilt Edged Bargains ...	204.8	170.5
Equities Bargains ...	133.6	131.2
Value ...	483.7	492.6
5-day Average Gilt Edged Bargains ...	159.3	144.4
Equities Bargains ...	133.4	134.6
Value ...	551.5	562.9

London Traded Options

Racal, RTZ and Val Reefs were placed under the wrong monthly-cycle dates in yesterday's table. They should have appeared under May, August and November. The Financial Times apologises to readers for any inconvenience caused.

NEW HIGHS AND LOWS FOR 1984

NEW HIGHS (58)

BRITISH FUNDS (1)
Exchqr. 3pc 1984

AMERICANS (5)
Amer. Tel. & Tel. — Gulf Corp.
Ameritech — Pacific Telesis
City Inv.

CANADIANS (1)
Hollinger

BANKS (1)
ANZ

BREWERS (1)
Davenport's Brewery

BUILDINGS (1)
Baggeridge Brick

STORES (3)
Beattie (J.) A — Foster Bros.
Church

ELECTRICALS (7)
Acorn Computer — Norbain Elec.
CML Microsystems — Philips Fin. 5¾pc Cnv. 1981-94
CPU Computers — Powerline Intl.
Microfilm Reprogs.

ENGINEERING (1)
Manganese Bronze

INDUSTRIALS (13)
Advance Services — Hanson Trust 9½pc Cnv. 2001-06
Astbury & Madeley — Macpherson (D.)
Datastream — Photo-Me Intl.
Dufay Bitumastic — Ryan Intl.
European Ferries — Sidlaw
Extel — Syltone
Fenner (J. H.)

INSURANCE (1)
London United

LEISURE (1)
Miss World

MOTORS (1)
Lookers

NEWSPAPERS (2)
Bristol Ev. Post — Collins (Wm.) A

PROPERTY (2)
Peel Hldgs. — Priest Marians

SHOES (1)
Garnar Booth

TEXTILES (1)
Atkins Bros.

TRUSTS (8)
Bishopsgate Trust — English & Intl.
Cambrian & Genl. — Fulcrum Inc.
Derby Trust Inc. — Gen. Consolidated
Do. Cap. — Duncan (W.) Gdrck.

OILS (5)
Hunting Pet. 10pc Cnv. Ln 1997 — Norsk Hydro
Invent Energy — Royal Dutch
— Sceptre Resources

MINES (2)
Hartebeest. — Pancontinental

NEW LOWS (66)

BRITISH FUNDS (18)

CORPORATION LOANS (2)
GLC 6¼pc '90-92 — Leeds 13½pc 2006

FOREIGN BONDS (1)
Hydro Quebec 15pc Ln. 2020

BANKS (2)
Hill Samuel — Baltic Leasing

BUILDINGS (4)
Barratt Dvlpts. — Miller (Stanley)
Lilley (F. J. C.) — Wimpey (Geo.)

ELECTRICALS (3)
Electro-Protective — Thorpe (F. W.)
Highland Elec.

ENGINEERING (4)
APV — Willay
Adwest — Woodhouse & Rixson

FOODS (2)
Hinton (A.) — Morrison (Wm.)

INDUSTRIALS (11)
Airship Inds. — Flogas
Alfa-Laval AB B — Jardine Matheson
Bruntons (Muss.) — Lon. & L'pool Trust
China Light — SI Group
Clarke (Clement) — Shiloh
Dobson Park

INSURANCES (2)
Hambro Life — Sun Life

LEISURE (2)
Adam Leisure — Owners Abroad

MOTORS (2)
Plaxtons (GB) — Gates (F. G.)

TEXTILES (1)
Lyles (S.)

TRUSTS (4)
Atlanta Inv. — Hambros Warrants
Group Investors — London & Gartmore

OILS (2)
Flair Resources — Humboldt Energy

MINES (6)
AOM — Peko-Wallsend
Meekatharra — Western Continental
Metramar Minerals — Colby Resources

FT-SE 100 INDEX

	Close	High	Low	Prev
June	109.30	111.05	109.00	110.05
Sept	110.30	111.20	110.20	111.05
Dec	111.30	112.60	111.30	112.00

Volume 1,079 (1,176)

Previous day's open int. 422 (364)

RECENT ISSUES

EQUITIES

FIXED INTEREST STOCKS

"RIGHTS" OFFERS

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *d* Dividend rate paid or payable on part of capital; cover based on dividend on full capital. *g* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings C Canadian F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. *p* Pence unless otherwise indicated. ¶ Issued by tender. || Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ▪ Allotment letters (or fully-paid). ||| Introduction. ✱ Unlisted Securities Market. § Placing price. †† Official London Listing. * Offered as units, comprising one ord and one N/V A ord. ‡ No par value. $ Price at suspension.

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
May 8	May 18	Aug 9	Aug 20
May 21	June 8	Aug 30	Sept 10
June 11	June 22	Sept 13	Sept 24

For rate indications see end of Share Information Service

Money was given for the call of Selincourt, Eglinton, Berkeley and Hay Hill, Astra Industrial, Atlantic Resources, Beecham, Double Eagle, Lister and Co., Oil Search and GEC. No puts were recorded but double options were arranged in Brunswick Oil and Sterling Guarantee.

RISES AND FALLS

	Rises	Falls	Same
British Funds	32	27	46
Corpns. Dom. and Foreign Bonds ...	0	8	72
Industrials	179	387	840
Financial and Prop.	80	108	333
Oils	25	35	60
Plantations	5	2	13
Mines	53	39	82
Others	65	44	120
Totals	439	650	1,566

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Atlantic Resources ...	80	− 6
BP	503	—
Cons. Gold Fields ...	552	−11
European Ferries	117	+18½
ICI	606	− 6
Laing (J.)	217	− 5
Macpherson (D.)	122	+13
Marks and Spencer ...	255	− 4
Marley	88	− 8
Redland	285	−11
Sidlaw	465	+27
Trafalgar House	255	—

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Greenfields Lsre	13	48	+11½
BAT Inds	12	236	− 9
BTR	12	479	−10
Glaxo	12	850	−15
BP	11	503	−12
Midland Bank...	11	390	− 7
Simon Eng	11	473	−20
ICI	10	612	+14
Beazer (C. H.)	9	410	−10
GEC	9	180	− 3
Imp Cont Gas...	9	312	− 5
Plessey	9	224	− 2
RTZ	9	645	−12
STC	9	353	−11

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS	Wed May 9 1984	Tues May 8	Fri May 4	Thurs May 3	Wed May 2	Year ago (approx.)

FIXED INTEREST

LONDON TRADED OPTIONS

Option		Calls July	Calls Oct.	Calls Jan.	Puts July	Puts Oct.	Puts Jan.
B.P. (*501)	390	120	—	—	3	—	—
	420	90	103	—	4	6	—
	460	50	65	—	5	9	—
	500	23	38	50	20	28	35

Option		Calls May	Calls Aug.	Calls Nov.	Puts May	Puts Aug.	Puts Nov.
LASMO (*310)	280	35	55	65	2	8	10
	300	15	38	50	2	20	28
	330	0½	17	30	18	30	40
	360	0½	10	20	50	55	60
	390	0½	—	—	—	—	—
Lonrho (*142)	110	31	34	—	0¼	1	—
	120	21	24	—	0¼	1	—
	130	11	16	19	0¼	3	6

EUROPEAN OPTIONS EXCHANGE

Series		May Vol.	May Last	Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Stock
GOLD C	$375	6	3.50	6	17.50	—	—	$372.90
GOLD C	$400	—	—	121	7.60	33	15.50	"
GOLD C	$425	—	—	8	2.60	10	7.50 A	"
GOLD P	$375	20	3.90	32	7.50	—	—	"
GOLD P	$400	15	29	24	26	3	26	

TOTAL VOLUME IN CONTRACTS 20,199

A=Ask B=Bid C=Call P=Put

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1984 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99	97	Exch. 3pc 1984	99		3.02	8.84
[illegible]	100	Treas 12pc 1984	100		11.90	9.52
[illegible]	103	Treas. 15pc 1985	103		14.47	9.88
[illegible]	101	Exch. 12pc Cnv. '85	101		11.81	9.93
95	93	Treas 3pc 1985	94		3.17	8.43
99	98	Treas 8pc Cnv '85	98		11.35	10.25
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

1984 High	Low	Stock	Price £	+ or −	Div Gross	C'vr	Y'ld Gr's
34	26	Abbott Labs.	31		$1.20	—	2.7
34	24	Alcoa $1	25		$1.20	—	3.3
18	16	Amax $1	18		20c	—	0.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BEERS, WINES—Cont.

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Cont.

INDUSTRIALS (M

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INDUSTRIALS—Continued

1984 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
73	45	MCD Group	67xd	−1	1.5	ϕ	3.2	ϕ
27½	21	MY Dart 10p	24½xd	.....	0.75	ϕ	4.4	ϕ
154	136	M'C'rthy Ph. 20p	150	.....	7.0	2.8	6.7	6.6
162	134	Macfarlane Gp.	162	.....	3.87	2.6	3.4	13.1
45	37	Macfellan 20p	40	−3	1.6	ϕ	5.9	ϕ
122	44½	Macpherson (D.)	122	+13	ϕ2.25	0.1	2.6	—
64	53	Magnolia Group	53	.....	2.5	ϕ	6.7	ϕ
64	43	Mannmet Hldgs 10p	53	+5	—	—	—	56.4
270	157	Man. Ship Can. £1	257	−1	5.5	3.5	3.1	13.2
95	78	Marley	86	−8	3.2	2.1	5.3	12.0
50½	40	Marling Ind. 10p	48	.....	†1.08	1.7	3.2	(21.6)
46	29	Marshall L'xy. 'A'	39xd	.....	1.2	3.6	4.4	(7.0)
66	54	Marshall's Univ	58	−2	—	—	—	(14.1)
30	22	Martin-Black	22	.....	—	—	—	—
£108	£88	Mathesons 7¾%	£94	.....	Q7¾%	2.3	f9.0	—
378	296	Metal Box £1	350	−6	†11.55	3.2	4.7	7.4
190	129	Metal Closures	186	.....	6.3	ϕ	4.8	ϕ
27	18	Metal Sciences 2½p	22	.....	—	—	—	—
19	11	Metamec Jentique	13½	.....	0.01	—	—	—
133	97	Midland Marts	97	.....	4.0	ϕ	5.9	ϕ
64½	45	Mitchell Cotts	63½	.....	3.62	1.0	8.9	(15.4)
29	18	Mobes Grp 1p	23	−1	0.5	ϕ	3.1	ϕ
£255	£184	M'santo 5pc B2-6	£212	.....	Q5%	—	f2.4	—
168	132	Morgan Crucible	157xd	−1	7.5	ϕ	6.8	ϕ
97	82	Moss (Robt.) 10p	95	.....	†2.0	2.4	3.1	17.2
272	197	N M W Computers	235	−2	6.0	3.0	3.6	13.1
65	57	Nash Inds.	60	.....	4.0	2.2	9.5	6.9
47	30	Neill&Sp'ncer10p	43	.....	—	—	—	18.5
70	45	New Equip 10p	78	.....	ϕ1.15	6.5	2.3	9.4
33	16	Newman Indusls	25	.....	—	—	—	(24.1)
31	16½	Do. 10pc Cm. Pf.	25½	.....	10%	—	5.6	—
66	47½	Nolton	53	.....	1.0	2.9	2.7	18.6
175	150	Norcros	159	.....	b7.0	2.3	6.3	9.6
86	70	Nu-Swift 5p	70	.....	—	—	—	13.7
100	75	Oakwood Grp.	80	.....	d6.5	—	11.6	—
190	165	Office & Elect.	165	.....	7.5	ϕ	6.7	ϕ
875	700	Oriflame Intl SA	875	.....	Q53c	2.2	4.1	10.9
46	35	Ovenstone 12½c	43	−3	Q4.5c	ϕ	6.3	ϕ
£146	£128	Ozalid Fin. Cv.	£134	.....	Q9%	—	f6.9	—
190	157	PCT Grp 10p	185	.....	b4.8	2.1	3.6	17.5
110	74	PH Industrials	[illegible]	.....	ϕ5.0	2.0	6.5	8.9

[illegible]

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

1984 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
115	76	Medminster 10p	84	.....	†4.4	2.3	7.5	8.4
170	138	Miss World 10p	170	+5	3.0	3.5	2.4	15.5
24½	19½	Nationwide Leis.	22xd	−½	0.25	2.8	1.6	29.4
38	17	Nimslo Int 20c	20	.....	—	—	—	—
145	112	Norton Opax 10p	133	−2	†2.17	4.3	2.3	9.5
		For Our Price see Stores						
31½	26½	Owners Abroad	26½	−¼	0.75	ϕ	4.0	ϕ
66	35	Photax (Lon.)	52	−6	—	—	—	—
130	95	Pineapple Dnc St 10p	105	−2	d1.5	4.0	2.0	13.3
420	312	Pleasurama 5p	345	−5	6.5	4.7	2.7	11.2
158	110	Radio City 'A' NV	125	.....	5.6	1.9	6.4	11.6
70	61	Radio Clyde N/V	61	.....	3.0	1.4	7.0	14.2
148	111	Riley Leisure 10p	113	.....	4.2	ϕ	5.3	ϕ
118	95	Saga Hols. 20p	102	−1	3.75	ϕ	5.3	ϕ
390	290	Samuelson Grp £1	380	.....	d12.0	2.7	4.5	11.8
27½	25	Sangers Photo 10p	26	.....	bg1.25	1.8	6.9	11.8
164	98	Scott. TV 'A' 10p	164xr	.....	8.1	ϕ	7.1	ϕ
242	186	SeaCo Inc.	226	+1	—	—	—	—
35	21	SelecTV 10p	23	.....	—	—	—	—
37	24	TSW 5p	36	.....	1.2	2.2	4.8	13.9
150	79	TVS N/Vtg 10p	138	.....	2.0	5.5	2.1	11.4
30	22	Television Svcs 10p	29½	.....	b0.2	ϕ	1.0	ϕ
90	72	Tottenham Hotspur	76	.....	b4.0	1.9	7.5	(4.2)
146	120	Trid'nt TV 'A' 10p	146	+2	5.5	1.8	5.4	14.4
168	168	21st Century Dist.	185	.....	—	—	—	—
197	135	Tyne Tees TV 'A' £1	192	.....	8.25	2.4	6.1	9.9
166	207	Ulster TV N/V 'A'	158xd	.....	†8.0	2.5	7.2	7.3
25½	18	Webb (Jos.) 5p	22	−1	d0.51	0.5	3.3	—
98	88	Zetters 5p	91	.....	†3.1	3.0	4.9	9.7

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1984 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
76	52	BL 50p	66	+1	—	—	—	—
66	50	Coleman Milne 10p	58xd	.....	1.7	ϕ	4.2	ϕ
255	251	Gen. Mts. Units	255	.....	Q12c	—	3.3	—
385	294	Honda Motor Y50	385	+28	†Q20%	9.1	0.7	14.9
85	55	Lotus Car 10p	76	.....	—	—	—	—
37	20	Reliant Motor 10p	34	.....	—	—	—	10.8

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc

[illegible]

OIL AND GAS

[illegible]

OIL AND GAS—Continued

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

Australians

1984 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
18	14½	ACM 20c	14½	−½	—	—	—
33	28	Alliance Expl'n. NL	28	.....	—	—	—
30½	4	Asia Oil & Minerals	5¼	.....	—	—	—
19	17	Aust. Hydrocarbons NL	18	.....	—	—	—
28	20½	Australis Mng NI	23	.....	—	—	—
45	15	Balmoral Res.	38	−2	—	—	—
36	28	Black Hill Mins.	28	−1	—	—	—
104	81	Bond Corp	83	.....	Q10c	0.7	7.8

[illegible]

Tins

[illegible]

Miscellaneous

[illegible]

NOTES

[illegible]

REGIONAL & IRISH STOCKS

[illegible]

OPTIONS — 3-month call rates

[illegible]

"Recent Issues" and "Rights" Page 39

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £780 per annum for each security.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard EC4P 4DX 01-236 1833

High Income				
Gilts & Fixed Int.	115.2	121.9	+0.8	9.84
High Inc Equity	65.2	69.4	-0.2	6.10
Capital Growth				
American Growth	99.3	105.6	+1.1	1.58
Assets & Ergy. Tt.	58.1	62.1	-0.3	3.22
Capital Reserve (z)	52.5	52.8	+0.1	0.80
Commodity & Engy	79.6	84.7	-0.2	2.62
General	98.1	104.9	-0.6	2.30
Japan	147.0	156.4	-0.7	0.19
UK Growth	62.7	67.4	-0.3	2.52
Acc Units	87.8	94.4	-0.4	2.52
US Emerging Co's	47.3	50.9	+0.3	0.52
Worldwide Bond	131.55	154.9	+0.3	2.55
Equitas Prog.	137.1	146.6	-0.2	3.98

Aitken Hume
1, Worship St., EC2 01-628 6626

American Tech Fd	124.6	133.4	+3.0	0.10
Inc & Gwth Fd	36.6	38.9	.....	4.81
Pacific Fd	144.3	154.3	+0.3	0.40
Secure Income Fd	128.0	137.0	.....	5.65
Special Sits	157.2	168.0	.....	0.97
Energy Fd	230.0	245.0	-0.5	0.60
Exempt Fd	412.0	440.0	.....	3.00
Small Co's Fd	281.8	300.0	+3.0	1.70
Jap. Technology	62.8	77.1	+9.6	0.20

Allied Unit Trusts Limited (A.) (G.)
Allied Hambro Hse., Hutton, Brentwood, Essex
Brentwood (0277) 211459 & 229123

Balanced Trusts				
First Trust	139.5	147.9	+0.3	4.42
Growth & Income Tst.	90.9	96.4	-0.3	3.68
Capital Trust	167.1	177.1	-0.5	2.95

Bridge Fund Managers (a)(c)
Regis Hse., King William St., EC4. 01-623 4951

Amer. Gen. Inc.†	52.6	56.6	.....	0.71
Do. Acc†	52.7	56.7	.....	0.71
Income*	88.9	97.2	-0.8	4.73
Capital Inc.‡	95.6	102.8	.....	1.34
Do. Acc.‡	121.1	130.3	.....	1.34
Exempt‡	215.0	231.0	.....	2.83
Intl. Recovery Inc.‡	42.1	45.2	.....	1.00
Do. Acc.‡	54.9	59.1	.....	1.00

Dealing *Tues. ‡Wed. †Thur. Prices May 9/10/11.

INSURANCES

Insurances—continued

Albany Life Assurances Co Ltd
3 Darkes Lane. Potters Bar. 0707 142311
Pension Funds

EqPenFdAcc	695.0	731.5	-1.2	—
EuroFdAcc	104.6	110.1	....	—
FxdIntAcc	428.3	450.7	+1.2	—
GtMnPnAcc	259.0	272.6	....	—
IntlManFd	276.2	290.7	+0.8	—
JapPnFdAc	163.7	172.3	-0.4	—
AmPnFdAc	120.7	127.0	+0.6	—
Property	243.4	256.2	....	—
MplIntPnAc	564.1	593.8	+0.5	—

Colonial Mutual Group
24 Ludgate Hill EC4P 4BD. 01-248 9861
Capital Life Assurance

Key Inv Fd	—	131.09	+1.34	—
PcmkrInvFd	—	132.91	+0.87	—
Equity Fd	134.61	141.70	....	—
FxdIntFd	111.72	117.60	....	—
Propty Fd	114.47	120.49	....	—
Cash Fd	102.91	108.33	....	—
ManagdFd	130.58	137.45	....	—
Col Mut Life (Pension Annuities)				
ManCpA/B	117.81	124.02	....	—
ManInvA/B	119.00	125.27	....	—

Commercial Union Group
St Helens, 1 Undershaft. EC3. 01-283 7500

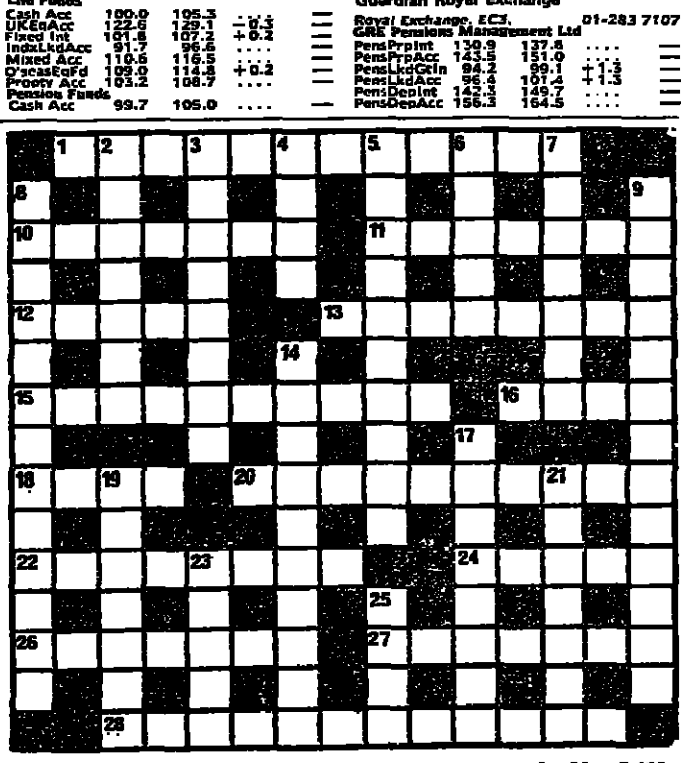
VarAnnAcUts	—	173.83	....	—
VarAnnMay11	—	37.39	....	—
Prime Series—Life				
Managed	142.0	149.5	....	—
UK Equity	150.0	157.9	-0.4	—

Offshore & Overseas—continued

Money Market Trust Funds

Money Market Bank Accounts

F.T. CROSSWORD PUZZLE No. 5,412



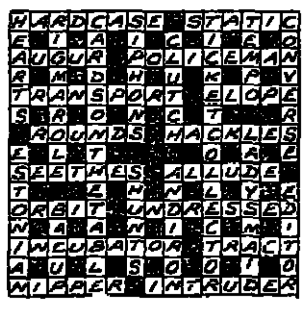
ACROSS

1 A rest on a ship regenerated comic dramatist (12)
10 Is Continental right to consume true copy? (7)
11 Greek character with obvious *kind of power* (7)
12 Sailor to back one of the pack (5)
13 Sort to trim printing surface (4-4)
15 I must turn a rare garden climber (10)
16 Old impressionist painter returns without son (4)
18 Swiss or Italian holding back a novice (4)
20 *Late load is an encumbrance* (4-6)
22 Prosperous national success (4-2-2)
24 Soviet newsagency love Italian poet (5)
26 Type of shirt in neater form of dress fabric (7)
27 Begin with song at this type of concert (4-3)
28 Nobody names Dickens's first translated novel (6,3,3)

DOWN

2 Throws back vessels (7)
3 Gamble on that last drink providing after-image (8)
4 Conspirator said to produce seeds (4)
5 U.S. girl friend perhaps to instruct air traveller (5-5)
6 Tortured French dog makes for recess (5)
7 Female report discloses American affair (7)
8 Mathematician meets racing driver in Wigtown (6-7)
9 Bow Street companion a useful influence? (6,2,5)
14 Gathering retinue once (10)
17 . . . and there maybe is cattle (4-4)
19 To whom ——, or by whom begot (Pope) (7)
21 Largest apolitical policemen in this (7)
23 The army without any disheartened unit (5)
25 Pointless Pacific islands having Roman mantle (4)

Solution to puzzle No. 5,411



INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Ass.—Cont.

Income Accum.	137.3	144.6	-0.3	—
Do. Initial	131.1	138.0	-0.3	—
Universal Tot. Acc.	93.6	98.6	+0.3	—
Do. Initial	92.2	97.1	+0.3	—
Man. Pens. Accum.	272.8	286.4	....	—
Do. Initial	220.4	232.1	....	—
Gilt-Edg.Pens. Accum.	217.8	229.3	....	—
Do. Initial	169.6	178.6	....	—
Money Pens. Accum.	196.7	207.1	....	—
Do. Initial	155.4	163.6	....	—

Black Horse Life Ass. Co. Ltd.
346A High St., Chatham 0634 405161

Black Horse Man. Fd.	262.11		....	—
Managed Int. Fd.	175.37	184.60	....	—
Property Fd	154.90	163.06	....	—
Fixed Interest Fd.	149.66	157.44	....	—
Cash Fd.	139.26	146.59	....	—
Income Fd.	202.57	213.24	....	—
Extra Income Fd.	197.87	208.29	....	—
Worldwide Growth Fd.	230.86	243.02	....	—
Balanced Fd.	204.85	215.63	....	—
Smlr Co's & Recy. Fd	231.01	243.17	....	—
Int. Technology Fd	257.53	271.09	....	—
Nth. Amer. & Gen. Fd.	158.97	158.97	....	—
Energy Int. Fd.	113.95	119.95	....	—
Pacific Basin Fund	164.31	172.96	....	—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414111

Managed	123.1	129.6	....	—
Property	127.8	134.5	....	—
Equity	135.2	142.3	....	—
International	137.7	145.0	....	—
Fixed Interest	106.6	112.2	....	—
Deposit	102.3	107.7	....	—
Managed Pen. Cap.	123.0	129.5	....	—
Property Pens. Cap.	129.6	136.4	....	—
Equity Pens. Cap.	129.9	136.7	....	—
Intnl. Pens. Cap.	142.8	150.3	....	—
Fixed Int. Pens. Cap.	101.4	106.8	....	—
Deposit Pens. Cap.	98.4	103.8	....	—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth March 1	103.6		....	—
Retmt. Fed. April 6	296.3	+21.1	....	—
Managed Pen Fund	198.2	208.7	....	—
Property Pen Fund	116.0	122.1	....	—
Index Linkd Pen Fund	111.5	117.4	....	—
Managed	130.1	137.0	-0.1	—
Property	108.3	114.1	....	—
Gilt and Fixed Interest	109.5	114.3	....	—
Index-Linked	97.5	102.7	+0.1	—
Equity	132.6	139.6	-0.1	—
Cash	108.2	113.9	....	—
Midland Bk. Unit Tst.	131.6	138.6	-0.5	—
Midland Bank Intnl.	151.8	159.8	-1.5	—

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

Equity Units	£43.64	—	-0.27	—
Property Units	£17.62	—	+0.02	—
Equity Bond/Exec.	£28.15	27.79	-0.17	—
Prop. Bond/Exec.	£23.04	24.58	+0.04	—
Bal. Bd./Exec/Unit	£24.78	26.22	-0.06	—
2nd Equity Acc.	218.5	231.2	-1.4	—
2nd High Inc/Acc	183.0	193.7	-0.2	—
2nd Property Acc.	175.4	185.6	+0.9	—
2nd Managed Acc.	179.2	189.6	-0.5	—
2nd Deposit Acc.	148.8	157.5	+0.1	—
2nd Gilt Acc.	145.5	154.0	-0.5	—
2nd American Acc.	173.0	183.1	+1.6	—
2nd Intl Money Acc	148.6	157.2	-0.2	—
2nd Index Acc.	98.8	104.6	+0.3	—
2nd Far East Acc.	111.7	118.2	-0.2	—
2nd Eq. Pens./Acc.	314.9	333.2	-2.2	—
2nd Hi Inc Pens/Acc.	197.4	208.9	-0.2	—
2nd Prp. Pens/Acc	227.1	240.3	+0.4	—
2nd Mgd. Pens/Acc	232.8	246.3	-0.6	—
2nd Dep. Pens/Acc.	198.9	210.5	+0.2	—
Gilt Pens/Acc.	190.8	201.9	-0.5	—
2nd Am. Pens/Acc.	238.6	252.5	+2.1	—
2nd Int. MoneyPens/Acc	184.3	195.0	-0.2	—
2nd Index Pens./Acc.	105.4	111.5	+0.3	—
2nd Far East Pens/Acc.	113.8	120.4	-0.3	—
L & E S.I.F.	78.0	83.0	....	—

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ. 01-628 8131

G.T. Plan Bond Fund	127.7	134.5	+1.1	—
GT Pln High Yld Fnd	139.0	146.4	-1.6	—
GT Plan Far East Fnd	137.8	145.1	-1.4	—
GT Plan N. Am Fd.	124.8	131.4	+1.2	—
GT Pln UK&G.E. Fnd	160.4	168.9	-1.4	—
GT Pln Wrldwde Fnd.	155.8	164.1	+0.4	—
GT Pension Bnd Fnd.	139.9	147.3	+1.3	—
GT Pen High Yld Fd	161.5	170.1	-1.8	—
GT Pen Far East Fd	174.1	183.3	-2.3	—
GT Pen N. Am. Fd.	183.9	193.4	+1.7	—
Pen UK and General	187.4	197.3	-1.9	—
GT Pen Worldwide Fd.	167.2	176.0	+0.4	—

Prices for Accm. Units only.

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	174.7	183.9	....	—

General Portfolio Life Ins. PLC
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.		279.0	....	—
Portfolio Fd. Int.		225.0	....	—

Continued on adjacent Page

Gresham Unit Ass. Ltd.
2-6, Prince of Wales Rd. B'mouth. 0202 767655

Managed Fd.	292.4	308.1	....	—
Money Fd	159.4	167.8	....	—
Equity Fd.	247.6	260.9	....	—
Fixed Int. Fd.	120.4	126.9	....	—
Property Fd	177.4	186.9	....	—
Managed Pen. Fd.	285.6	300.9	....	—
Equity Pension Fd	185.9	195.9	....	—
Fixed Int. Pen. Fd	170.1	179.2	....	—
High Yield Pen. Fd.	167.8	176.8	....	—
Money Pension Fd.	133.7	140.7	....	—
Property Pension Fd	132.9	140.0	....	—
Gresham/Framlington				
American & Gen. Fd.	234.4	247.0	-0.5	—
Income Fd	222.7	234.7	-1.6	—
Int'l. Growth Fd.	274.5	289.3	-2.5	—
Capital Fund	230.9	243.3	-1.1	—
Recovery Fund	170.8	180.0	....	—
Japan & Gen Fd	105.3	111.0	-1.0	—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

Flexible Finance	£53.7	—	....	—
Landbank Secs.	0.6615	—	....	—
Landbank Secs. Acc.	190.9	195.8	....	—
G. & S. Super Fd.	£11.547	—	....	—

Guardian Royal Exchange
Royal Exchange, EC3. 01-283 7101

Guardian Assurance				
Property Bonds	314.8	327.9	....	—
GRE Linked Assurance Ltd.				
Managed Initial	231.5	243.6	-1.0	—
Do. Accum	260.2	273.9	-1.1	—
Equity Initial	300.0	315.9	....	—
Do. Accum	337.3	355.1	....	—
Fixed Int. Initial	193.3	203.4	-0.1	—
Do. Accum.	217.3	228.7	-0.1	—
Intnl. Initial	220.2	231.7	-3.2	—
Do. Accum	247.5	260.5	-3.5	—
North American Initial	96.0	101.1	-0.8	—
Do. Accum	98.2	103.4	-0.9	—
Pacific Initial	116.4	122.5	-0.7	—
Do. Accum	118.0	124.2	-0.7	—
Index-Linked Gilt Init.	93.0	97.8	+1.1	—
Do Accum	95.1	100.1	+1.2	—
Property Initial	123.3	129.8	....	—
Do Accum	138.5	145.8	....	—
Deposit Initial	124.8	131.3	....	—
Deposit Accum.	140.2	147.6	....	—
GRE Pensions Management Ltd.				
Pens. Managed Initial	233.5	245.8	-0.6	—
Pens. Managed Acc.	256.6	270.1	-0.6	—
Pens. Equity Initial	321.2	338.1	-0.1	—
Pens. Equity Acc.	352.9	371.5	-0.1	—
Pens. Fxd. Int. Initial	202.9	213.5	+0.2	—
Pens. Fixed Int. Acc.	222.9	234.6	+0.3	—
Pens. Int'l Initial	216.3	227.7	-3.3	—
Pens. Int'l. Acc.	237.7	250.2	-3.6	—

Continued on adjacent Page

OFFSHORE AND OVERSEAS

COMMODITIES AND AGRICULTURE

Broken Hill arbitration eases LME lead

By John Edwards

LEAD PRICES eased on the London Metal Exchange yesterday following news that the New South Wales Industrial Commission will make recommendations next week aimed at resolving the long-running dispute at the Broken Hill mining complex in Australia.

The unions and mining companies ended nine days of compulsory talks without reaching agreement. The judge at the commission said he will be making recommendations to both sides, but will not make a ruling.

Cash lead closed £4.5 lower at £316 a tonne, following further speculative selling.

Copper prices rallied after the sharp decline on Tuesday. The higher grade cash price gained £7.5 to £1,012.5 a tonne. Values rallied in the afternoon on market rumours, later denied, of a cutback in production at Phelp Dodge's Morenci plant because of labour problems.

The market failed to respond in early trading fully to the decline in sterling and was then encouraged in later trading by higher New York values reflecting the decline in the dollar.

However, higher interest rates on both sides of the Atlantic are viewed as being essentially bearish for all base metal markets.

P. C. Mahanti writes from Calcutta: Despite plans to produce substantially more aluminium in 1984-85 than in the previous year—220,000 tonnes—indications are that India will have to import at least 30,000 tonnes during the current year.

India has been an importer for several years. This is chiefly due to the fact that chonic power shortages keep production capacity at about half of its potential.

Cocoa futures market rallies

BY OUR COMMODITIES STAFF

COCOA prices rallied on the London futures market yesterday, following Tuesday's sharp decline.

The July position, which fell £32.50 on Tuesday, ended £24 up at £1,946 a tonne after reaching £1,952 at one stage.

Dealers said the rise was encouraged by underlying new crop inquiry, particularly for Nigerian cocoa, which has been in short supply.

Peter Blackburn reports from Abidjan: Cocoa producer countries meeting in Abidjan yesterday called for the adoption of a "practical, operational and efficient" mechanism to defend prices in the interests of both producer and consumer countries.

No details were released about the proposed mechanism at the end of a two-day meeting organised by the Ivory Coast to fix a joint position in negotiations for a fourth International Cocoa Agreement taking place in Geneva from May 7-25.

Ivory Coast Agricultural Minister Denis Bra Kanon, said: "very good work" had been achieved despite a poor attendance.

Cocoa producers had "repeated their desire to defend common interests in the new agreement," he said.

Only four ministers—from the Cameroun, Togo, Gabon and the Ivory Coast—out of the 11-member cocoa producers' alliance attended the meeting which had been arranged at short notice.

Equador and Sao Tome and Principe sent representatives, the last arriving only in time for the final dinner.

In Geneva, meanwhile, cocoa consuming countries agreed that any new ICA must reflect market realities, reports Reuter.

A statement to be presented at the next plenary session, probably tomorrow, by consumer spokesman Mrs Elisabeth Roderburg of Norway, should leave producers in no doubt that consumers will only be prepared to join an effective agreement which does not attempt to subsidise over-production, delegates said.

Potato price rise continues

BY OUR COMMODITIES STAFF

UK POTATO prices continued to rise last week as supply availability continued to tighten.

The Potato Marketing Board (PMB) reported yesterday that the average producer price for all potatoes moving from farms in the week ended May 4 was £190.10 a tonne, up from £185.41 from last week, reversing the slight declines of the past two weeks.

It said the tendency was for old crop supplies to become even lighter in much of England and Wales, though quantities coming forward remained sufficient for the market's requirements.

The PMB report encouraged further gains on the London potato futures market where the prompt May position rose £10.50 to £245.50 a tonne.

The recent strength of the futures market has in part reflected concern about whether the prompt month will expire without incident at the end of this month.

Joynson considers merger plan

By John Edwards

G. W. JOYNSON, one of London's oldest established commodity futures brokers, is proposing to merge with N. W. Harvey, a physical commodity trading company with special interests in the edible seeds and animal feeds markets.

The proposed merger is part of a plan by Joynsons, who were acquired last November from the Inchcape group by Rectory House Commodities—a private company—to expand its trading activities and make the most of its "floor" memberships of all the leading London commodity futures exchanges.

N. W. Harvey was set up in 1980 by Mr Nicholas Wilkes, who was previously chairman of SNW Commodities (now Sunshine Mining of London); chairman of the London Soyabean Meal Futures Association and a director of the London Commodity Exchange. He is currently chairman of the Eastern Produce Shippers Association.

● THE MINISTRY of Agriculture has repeated its warning to all chrysanthemum growers to keep a careful look-out for signs of white rust disease affecting plants.

● INDIA's sugar production in the first half months of the current season — starting from October 1—fell to 5.44m tonnes from 6.79m tonnes in the same period last year.

● MEDIUM quality tea prices at Tuesday's London auction averaged 264p a kilo, not 254p as stated yesterday. The average was 8p up from last week's auction.

● THE GOVERNMENT is to review whether changes are needed in the financing, organisation or technical procedures used in inspection of red meat in slaughterhouses.

Growing enthusiasm for 'sparrow grass'

Christopher Parkes examines the demand for asparagus

"IF YOU kept putting your head out only to have it knocked off, you'd pretty soon get fed up," reasons Mr Michael Paske, asparagus grower.

By June 30, when the all-too-brief British "sparrow grass" season closes officially, more than 30m "heads" will have been knocked off by knife-wielding harvesters.

The asparagus crowns must then be allowed to rest and restore themselves in time for the start of the new season on May Day next year.

There is no close season for Mr Paske. Cultivation continues in the fields of his three specialised farms—and in the market.

Secretary and a founder-member of the British Asparagus Growers' Association, Mr Paske has preoccupations extending far beyond his base in Huntingdon, Cambs.

As well as marketing the output from nine other farms, his private company imports supplies of the prized vegetable from Mexico, Spain and South Africa to meet year-round demand.

Mr Paske is also keen to see the crop grown more widely in Britain. Although traditionally confined to the light, sandy soils of East Anglia—"nothing much else would grow there"—asparagus is spreading. And as it spreads, so the season can be extended.

His first domestic spears arrive from Jersey at the beginning of April and later supplies from a new contract farmer in East Lothian allow him to market the home-grown product until the middle of July.

Farmer all over the country are taking an interest. Modern soil cultivation techniques allow the crop to be grown virtually anywhere — as the Scottish farm illustrates.

The national asparagus patch — currently 1,350 acres and farmed by a select group of about 100 growers — is expanding by about 10 per cent a year.

Dairy farmers in Somerset and other traditional milk-producing areas where the European Community's squeeze on output is hurting most, seem particularly interested, Mr Paske says.

Because the British favour green asparagus, and the French, West Germans and Dutch the white, forced varieties, the UK business is not subject to the powerful competition from imports which afflicts producers of less-specialised commodities.

Even so, the Briton's appetite for "grass," as the trade has it, has been noted elsewhere in Europe.

Spanish farmers grow green varieties for the UK consumer. After California, Spain is now the second biggest overseas supplier, shipping in 104 tonnes last year.

Total imports, largely top-grade, top-price spears from the U.S., were 612 tonnes in 1983 compared with 310 tonnes in 1978.

UK output, rising steadily as the acreage goes up and varieties improve, is now around 1,400 tonnes a year.

The vegetable's unfailing popularity suggests there is still ample room for new suppliers. While the main outlet is still the traditional wholesale market, supermarkets are now taking about 40 per cent of UK production, Mr Paske says.

Himself a supplier to J. Sainsbury, with a healthy sideline in mail order—posting bundles mainly to Scotland and Wales—Mr Paske calculates that orders from supermarkets have doubled every year over the past few years.

Relatively low prices—retail rates have fallen in real terms recently—are also helping to boost consumption.

At present, home grown asparagus can be had for 90p to £2.20 a pound—cheaper in some instances than a pound of best Jersey new potatoes.

In the first week of the season last year the cheapest grades of asparagus cost £1 a pound and the dearest around £2.50.

More cash to promote British wool

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

THE BRITISH Wool Marketing Board is to step up its promotional spending by a half this year to ensure that UK producers are not left out as the industrialised countries of the West come out of recession.

Mr Walter Elliot, chairman of the board, said: "We cannot afford to let up on our market development programme and in the coming year we plan to increase our spending on promotion to almost £700,000."

The move follows the announcement that the board has raised the overall guaranteed price for wool by 4.7 per cent, the first time since 1980 that all producers will get more.

The promotional boost comes as this year's wool clip is expected to reach a near record 39m kg. Last year's record figure of 40.3m kg is unlikely to be reached this year for two reasons.

It was a statistical freak, as the 1983 season covered 13 months, while 1984 will cover only 11 and last year's clip was heavily influenced by the bad weather in April and May.

This boosted the moisture content of the fleeces delivered early in the season, but with an exceptionally dry April this year, fleece weights are likely to be lighter.

Sheep numbers are still rising in Britain, according to the board, though at a rather slower rate than for some years. They reached a record 34.1m at last year's June census, a rise of about 3 per cent on 1982.

Mr Elliot said the board had done much to support the early stages of wool processing and had helped retain jobs in Britain.

The board's promotional spending this year is to be stepped up by a half to almost £700,000.

Mr Tony Verrinder, director of economics and finance, has reported that "after several years with the wool market in the doldrums British wool is now selling for higher prices than at any time in the board's 34-year history.

"Prices began to move sharply upwards in January and has continued into mid-April."

The board believes present price levels will be held in the medium term and if the movement of sterling against other currencies was right they could even increase, he stated.

Dairy farmers' demonstration

DAIRY FARMERS plan to unload a herd of cows in Central London today as part of their protests against Common Market cuts in milk production, the Press Association reports.

About Worcestershire farmers will take part, accompanied by cattle bearing placards saying: "Sentenced to Death." Passers-by will be given free milk.

The farmers intend marching down The Strand to 10 Downing Street where they will hand a protest letter and a pint of milk to the Prime Minister. They will then go on to the Commons to lobby their MPs.

The Farmers are demanding Government action to help them, following the EEC decision to cut milk production by 6m tonnes in the Community this year.

PRICE CHANGES

In tonnes unless stated otherwise	May 9 1984	+ or —	Month ago
Metals			
Aluminium	£1100	......	£1100
Free Mkt	$1350/1580	......	$1410/440
Copper			
Cash h Grade	£1012.5	+7.5	£1076.75
3 mths	£1030.25	+9.5	£1088.25
Cash Cathode	£1012.5	+8	£1072.5
3 mths	£1022.5	+8	£1082
Gold troy oz	$373	+0.75	$383.75
Lead Cash	£316	-4.5	£328
3 mths	£321.75	-5.5	£332.75
Nickel	£4988	......	£4896
Free Mkt	213/233c	......	217/257c
Palladium oz	$152.75	+2.75	$160.00
Platinum oz	$383.75	+1.75	£272.90
Quicksilver†	$300/310	-2.5	$310/315
Silver troy oz	625.65p	+7.60	647.75p
3 mths	639.60p	+7.70	661.45p
Tin cash	£9031.5	-33.5	£8702.5
3 months	£9029	-27.5	£8725.5
Tungsten	$83.51	......	$77.75
Wolfram 22.04lb	$85/89	......	$84/88
Zinc	£694.5	+4	£696.5
3mths	£676.5	+1	£687.5
Producers	$1050/1090	......	$1050/1090

	May 9 1984	+ or —	Month ago
Oils			
Coconut (Phil)	$1265w	+85	$1180
Groundnut	‡	......	‡
Linseed Crude	‡	......	‡
Palm Malayan	$870v		
Seeds			
Copra Phil	$760x		$700
Soyabean (U.S.)	$337.5	+7.4	$384
Grains			
Barley Fut. Sep.	£106.50	+0.60	£106.60
Maize	£146.75	......	£147.50
Wheat Fut. Jly.	£127.60	+1.40	£129.85
No2 Hard Wint	‡	......	‡
Other commodities			
Cocoa ship't*	£2017	......	£1802
Futures Jly	£1946	+24	£1749.5
Coffee Ft. Jly	£2156.5	-9.5	£2011.5
Cotton A Index	89.30c	-0.45	89.05c
Gas Oil June	$240.75	+2.75	$243.5
Rubber (kilo)	73p		78p
Sugar (raw)	$107.5w	+2.5	£110
Wooltops 64s	473p kilo	......	470pkil

‡ Unquoted. z June. v July. w May-June. x June-July. † Per 75 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

LONDON OIL

After a quiet morning the gas oil market rose on stronger physicals and a weaker dollar. Slightly bullish API figures further encouraged prices particularly in New York. Good buying towards the close rallied the market further, reports Premier Man.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.20-28.30	—
Iranian Light	27.45-27.75	—
Arab Heavy	26.85-26.95	+0.05
North Sea (Forties)	29.20-29.30	—
North Sea (Brent)	29.30-29.50	—
African (Bonny Li'ht)	29.50-29.55	-0.03

PRODUCTS—North West Europe ($ per tonne)

Premium gasoline	268-272	+0.5
Gas Oil	238-242	+0.5
Heavy fuel oil	184-187	—

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
May	239.50	+1.75	239.50-38.00
June	240.75	+2.75	240.75-38.25
July	242.00	+2.25	242.25-39.75
Aug	244.25	+2.00	244.25-42.50
Sept	246.50	+1.25	246.50-45.25
Oct	248.00	+0.75	248.50-48.00
Nov	250.50	+2.50	250.50-50.00
Dec	253.00	+1.50	253.00-52.50
Jan	254.50	+2.50	—

Turnover: 1,297 (2,134) lots of 100 tonnes.

GOLD MARKETS

Gold rose $¾ an oz from Tuesday's close in the London bullion market yesterday to finish at $372¾-373¼. The metal opened at $371¾-372¼ and traded between a high of $373-373½ and a low of $371¾-372¼. Trading was generally quiet and featureless with the market receiving little inspiration from a slightly weaker dollar.

In Paris the 12½ kilo bar was fixed at FFr 102,000 per kilo ($371.86 per oz) in the afternoon compared with FFr 101,950 ($372.12) in the morning and FFr 101,600 ($373.86) on Tuesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 33,335 per kilo ($373.51 per oz) against DM 33,380 ($373.51) and closed at $372¾-373¼ from $371¾-372¼.

In Luxembourg the dollar per oz equivalent of the 12½ kilo bar was $372.80 from $372.30.

In Zurich gold finished at $372½-373 from $370¾-371¼.

LONDON FUTURES

Month	Yest'days close	+ or —	Business Done
	$ per troy ounce		
May	372.00	—	—
June	375.10-75.20	+1.50	376.50-74.60
Aug	382.20-82.30	+2.00	382.00-81.50
Oct	388.80-89.80	+2.90	389.80
Dec	387.40-97.50	+3.55	
Feb	405.50-05.50	+3.15	405.50-05.80

Turnover: 634 (408) lots of 100 troy ounces.

	May 9		May 8	
Gold Bullion (fine ounce)				
Close	$372¾-373¼	(£266¾-269¼)	$372-372½	(£268¾-269¼)
Opening	$372½-373	(£268½-269)	$371¾-372¼	(£268-268½)
Morning fixing	$372.65	(£268.577)	$371.50	(£267.806)
Afternoon fixing	$372.60	(£269.473)	$371.50	(£266.076)
Gold and Platinum Coins May 9				
Krugrnd	$384-384¾	(£276¾-277¼)	King Sov	$90-91½ (£65-66)
½ Krug.	$198-198¾	(£142¾-143¼)	Victoria Sov	$90-91½ (£65-66)
¼ Krug.	$101-101¾	(£72¾-73¼)	French 20s	$71¾-73½ (£51¾-53)
1/10 Krug.	$41¼-43	(£29¾-30¼)	50 Pesos Mex	$460½-462 (£331¾-333¼)
Mapleleaf	$384-384½	(£276½-277)	100 Cor Aust	$365-366 (£261½-263¼)
New Sov.	$87¼-88½	(£63¼-63¾)	$20 Eagles	$600-610 (£432¼-439½)
½ New Sov.	$52¾-53½	(£38-38½)	Noble (Plat.)	$394¾-399 (£284¾-287¾)

EUROPEAN MARKETS

ROTTERDAM, May 9.

Wheat—(U.S. $ per tonne): U.S. No. 2 Soft Red Winter: mid-June/mid-July 151.50, Aug 149.50, Sep: 151.50. U.S. No. 2 Northern Spring, 14 per cent protein: May 185.50, June 183.50, July 181.75, Aug 178, Sept 177, Oct 177.50, Nov 179. U.S. No. 3 Hard Amber Durum: May 188, June 186.25, July 184.25, Aug 184.25, Sept 182.50, Oct 184.25, Nov 186 sellers. Canadian No. 1 Western Amber Durum: May 198, mid-May/mid-June 195.50, June 202, Nov 199.

Maize—(U.S. $ per tonne). U.S. No. 3 Yellow: May 161, June 161, July 162, July/Sept 158.50, Oct/Dec 142 sellers. Argentine, Plate: Afloat 161, May 161, June 161, July 163.50 sellers.

Soyabeans—(U.S. $ per tonne) U.S. No. 2 Yellow, Gulfports: May 331.50, June 332, July 332.70, Aug 332, Sept 312.75, Oct 285.50, Nov 287, Dec 287, Jan 291, Feb 295, March 297.50 sellers.

PARIS, May 9.

Cocoa—(FFr per 100 kg): May 2246-2258, July 2260 bid, Sept 2368-2369.50, Dec 2250-2251, March 2248 asked, May 2248 asked, May 2255 asked, July 2265 asked.

BRITISH COMMODITY PRICES

BASE METALS

BASE-METAL PRICES were mixed on the London Metal Exchange. Currency considerations and a firm opening on Comex boosted COPPER to £1032 prior to a close of £1030. LEAD came under pressure from chartist and computer selling and fell away to £319, before ending the day at £320.5. ZINC was finally £675, after £670. Profit-taking left NICKEL at £3533 on the late kerb. The late rally in sterling encouraged selling of TIN which dipped to £9032.5.

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grde	£	£	£	£
Cash	1006.5-7	-5.5	1012-3	+7.
3 months	1024-5	-4.25	1030-.5	+9.
Settlem't	1007	-5.5	—	
Cathodes				
Cash	1005-7	-5.5	1012-3	+9.5
3 months	1016-.5	-7.25	1022-3	+9.5
Settlem't	1007	-5	—	

Amalgamated Metal Trading reported that in the morning three months Higher Grade traded at £1020, 21, 20, 19, 20, 20.5, 21, 21.5, 21, 20.5, 21. Cathodes: Three months £1014. Kerb: Higher Grade: Three months £1028.5, 28, 27.5, 27, 26.5, 27. Afternoon: Higher Grade: Three months £1028, 28.5, 28, 30, 30.5, 31, 30.5. Cathodes: Cash £1013, three months £1022. Kerb: Higher Grade: Three months £1030, 30.5, 30, 31, 32, 31, 30.5, 30, 29.5, 30. Turnover: 48,375 tonnes. U.S. producers: 69-73 cents per pound.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grde	£	£	£	£
Cash	9130-5	+5	9095-105	-17.5
3 months	9100-10	+10	9080-90	-15.5
Settlem't	9135	+5	—	
Standard				
Cash	9065-70	+5	9030-3	-33.5
3 months	9050-5	-5	9026-30	-27.5
Settlem't	9070	+5	—	
Straits E.	$29.15	—	—	

Tin — Morning: Standard: Three months £9,060, 65, 60, 58, 57, 56. High Grade: Three months £9,100, 01. Kerb: Standard: Three months £9,055. High Grade: Cash £9,125. Afternoon: Standard: Three months £9,045, 43, 40, 30, 25, 30, 28, 30. High Grade: Three months £9,100, 9,090, 80. Kerb: Standard: Three months £9,030, 25, 30. Turnover: 2,580 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	314-5	-10.7	315.5-6.5	-4.5
3 months	320-.5	-11	321.5-2	-3.5
Settlem't	315	-10.5	—	

Lead—Morning: Three months £328, 26, 26.5, 27, 26, 25.5, 26, 26.5, 26, 25.5. Kerb: Three months £331, 30. Afternoon: Three months £320, 21, 22, 22.5, 22, 21.5, 21, 21.5, 22. Kerb: Three months £322, 22.5, 22, 21, 20.5, 20, 19, 20. Turnover: 31,300 tonnes. U.S. Spot 25-28 cents per pound.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	694-5	+1.5	694-5	+4
3 months	675.5-6.5	+2	676-7	+1
Settlem't	695	+1	—	

Zinc—Morning: Cash £695, three months £673, 74, 75, 76, 75. Kerb: Three months £675, 76, 77, 76. Afternoon: Cash £695, three months £677, 76, 76.5, 77, 76.5. Kerb: Three months £676, 76, 74.5, 75. Turnover: 26,100 tonnes. U.S. Prime Western: 52.75-53.75 cents per pound.

ALUMINIUM

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	940.5-1.5	+6.75	958-.5	......
3 months	962.5-3.5	+5.75	961-.5	+1

Aluminium—Morning: Three months £957, 57.5, 58, 59, 59.5, 59, 60, 61, 60.5. Kerb: Three months £957, 58. Afternoon: Three months £964, 63, 62, 60.5, 61, 60.5, 61. Kerb: Three months £960, 60.5, 61, 62, 63. Turnover: 17,025 tonnes.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	3480-5	+16	3465-70	-10
3 months	3565-6	+4	3551-3	-5.5

Nickel — Morning: Three months £3,550, 55, 60, 55. Afternoon: Three months £3,570, 65, 68, 65, 60. Kerb: Three months £3,540, 35, 31. Turnover: 942 tonnes.

SILVER

LME—Silver (2,000 oz contract): Cash 624p (624.5p); three months 638.5p (638.75p). Turnover: 0 (1).

Turnover: 88 (265) lots of 10,000 ozs. Morning: Large three months 640.0, 39.5, 38.5. Kerb: untraded. Afternoon: large three months 641, 40. Kerb: large three months 641.

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unofficial	+ or —
Spot	625.65p	+7.60	625.75p	+1.25
3 months	639.60p	+7.70	640.25p	+1.5
6 months	655.40p	+8.15	—	......
12 months	686.65p	+8.40	—	......

Silver was fixed 7.6p an ounce higher for spot delivery in the London bullion market yesterday at 625.65p. U.S. cent equivalents of the fixing levels were: spot 865c, up 6.5c; three-month 889.2c, up 6.9; six-month 916.2c, up 7.3c; and 12-month 971.8c, up 8c. The metal opened at 624½-627½p (866-869c) and closed at 627½-630½p (870-873c).

WEEKLY METALS

All prices as supplied by Metal Bulletin.

ANTIMONY: European free market, 99.6 per cent: $ per tonne, in warehouse: 3,390-3,430.

BISMUTH: European free market, min. 99.99 per cent, $ per pound, tonne lots in warehouse: 2.80-2.90.

CADMIUM: European free market, min. 99.95 per cent, $ per pound, in warehouse: ingots 1.68-1.71, sticks 1.69-1.72.

COBALT: European free market, min. 99.5 per cent, $ per pound, in warehouse: 11.10-11.30.

MERCURY: European free market, minimum: 99.99 per cent, $ per flask, in warehouse: 308-317.

MOLYBDENUM: European free market, drummed molybdic oxide, $ per pound Mo, in warehouse: 3.90-3.95.

SELENIUM: European free market, min. 99.5 per cent, $ per pound, in warehouse: 10.50-12.00.

TUNGSTEN ORE: European free market, standard, min. 65 per cent, $ per tonne unit WO_3, cif 85-88.

VANADIUM: European free market, min. 98 per cent V_2O_5, other sources, $ per pound V_2O_5, cif 2.50-2.55.

Producer list price for selected metals as recorded in Metal Bulletin.

ALUMINIUM: World: virgin ingots Alcan, min. 99.5 per cent, $ per tonne, cif Hong Kong and Rotterdam: 1,750.

BISMUTH: UK: MCP-Peko, 99.99 per cent, $ per pound, tonne lots, ex-warehouse: 3.00.

COBALT: World, Zaire: Sozacom, $ per pound 12.50.

NICKEL: World, Inco, melting grade, $ per pound, cif Far East and America, delivered rest of world, 3.20.

URANIUM: Nuexco exchange value, $ per pound U_3O_8 17.50.

VANADIUM: Highveld fused, min. 98 per cent V_2O_5, $ per pound V_2O_5, cif 2.30.

ZINC: GOB producer basis, $ per tonne 1,090.

COCOA

Although opening unchanged futures rose quite strongly. Little activity was reported for physicals with producers withdrawn and consumers light buyers for forward positions, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1928-29	+22.5	1929-11
July	1946-47	+24.0	1952-25
Sept	1945-47	+13.5	1953-31
Dec	1873-74	+8.5	1881-65
March	1839-42	+9.0	1848-55
May	1835-39	+6.5	1840-30
July	1826-35	+5.5	—

Sales: 4,060 (4,107) lots of 10 tonnes.

ICCO indicator prices — (U.S. cents per pound). Daily prices for May 8: 118.00 (121.44); five-day average for May 9: 120.37 (119.74).

COFFEE

During a quiet session forward contracts traded at new highs, reports Drexel Burnham Lambert. A moderate turnover consisted mainly of cross-trading in a narrow range. A weaker New York market and slightly stronger sterling prompted a slight retracement before renewed dealer interest encouraged further consolidation.

COFFEE	Yesterd'ys Close	+ or —	Business Done
May	2145-47	-16.5	2160-45
July	2156-57	-9.5	2173-50
Sept	2133-34	-2.5	2145-30
Dec	2112-13	-4.0	2125-09
January	2058-61	-7.5	2071-56
March	1980-70	-22.0	1991-70
May	1945-50	-17.5	1968-50

Sales: 4,311 (3,603) lots of 5 tonnes.

ICO Indicator prices (U.S. cents per pound) fob May 8: Comp daily 1979 144.88 (144.63): 15-day average 144.05 (143.91).

GRAINS

Business done—Wheat: May 125.65-4.30, July 127.60-6.75, Sept 108.65-8.20, Nov 111.50-1.00, Jan 114.45-4.00, March 117.50-7.40. Sales: 245 lots of 100 tonnes. Barley: May 120.00-18.75, Sept 106.70-6.50, Nov 109.70-9.50, Jan untraded, March 115.60-5.30. Sales: 122 lots of 100 tonnes.

Old crops made steady gains throughout the day to close around the highs on lack of sellers and good physical demand. New crop barley rose on contiued dry weather but wheat came under pressure on hedge selling reflecting a record crop prospects, reports Muirpace.

WHEAT			BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterd's close	+ or —
May	125.55	+1.60	120.00	+1.25
July	127.60	+1.48	—	—
Sept	108.20	-0.50	106.50	+0.30
Nov	111.00	-0.50	109.60	+0.55
Jan	114.00	-0.35	112.60	+0.40
Mar	117.00	-0.50	115.50	+0.45

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 14 per cent: June 142.50, July 141, Aug 138.80, Sept 137.80 sellers, transhipment East Coast. English feed, fob: Oct/Dec 113.50, Jan/March 128.50, East Coast sellers. Maize: U.S. No. 3 Yellow/French, 1st-half May 146.50-147, seller East Coast. Sorghum: U.S./Argentine/French, mid May/mid-June 138 quoted, cif free out. Rest unquoted.

HCGA — Locational ex-farm spot prices. Feed barley: E. Midlands 118.70, N. East 120.40. The UK monetary coefficient for the week beginning Monday, May 14, is expected to change to 0.951.

POTATOES

May was steady from the opening, with good buyer demand pushing prices higher. New crops opened firmer, but met selling pressure and prices fell rapidly in a thin market before recovering to close about steady. Lille futures opened quitely yesterday, with April closing at about £77.50, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
May	245.50	235.00	246.00-37.0
Nov	80.50	81.60	85.90-79.00
Feb	89.00	90.00	—
April	105.10	106.00	109.0-105.8
May	113.00	115.00	—

Sales: 591 (729) lots of 40 tonnes.

PIGMEAT

A steadier physical price encouraged fresh buying and nervous short-covering. Prices remained in the recent range closing on the highs, reports CCST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
June	116.8	116.00	116.9-116.5
Aug	114.3	113.50	114.5-114.2
Oct	118.9	118.20	118.8-118.6
Nov	119.7	119.00	119.8-119.5
Feb	116.7	116.00	—
April	116.8	116.10	—

Sales: 89 (63) lots of 50 carcases 3,250 kilos.

RUBBER

PHYSICALS — The London market about unchanged, attracted little interest throughout the day and closed quiet and slightly easier, reports Lewis and Peat. Closing prices (buyers): spot 73.00p (same). June 77.00p (same). July 77.50p (same). The Kuala Lumpur June fob price for Rss No 1 was 233.0 (226.0) cents a kg and for SMR 20 was 216.0 (same).

FUTURES—Close (buyer, seller, business). RSS No. 1 (£ per tonne): June 720, 740, nil; July 720, 742, nil; Aug 760, 764, 762; Sept 770, 773, 774-772; Oct 779, 780, 780; Nov 787, 788, 792-787; Dec 796, 800, nil; Jan 802, 810, nil; Feb 811, 817, nil; April/June 825, 837, nil; July/Sept 842, 855, nil; Oct/Dec 859, 860, nil. Sales: 115 (83) lots of 5 tonnes.

SOYABEAN MEAL

The market opened 50p up in thin trade, reports T. G. Roddick. During the afternoon prices eased back following heavy selling pressure from commercials.

	Yestday's close	+ or —	Business Done
	£ per tonne		
June	154.00-54.90	-0.60	155.00
August	155.50-56.00	-0.15	156.50-56.70
October	158.00-58.80	-0.50	159.00
Dec	159.50-61.00	-0.50	—
Feb	160.50-62.50	-0.50	162.30
Apr	161.00-63.00	-0.75	162.80
June	160.50-63.50	-0.50	—

Sales: 72 (103) lots of 100 tonnes, 60 (120) lots of 20 tonnes.

SUGAR

No. 6 Contract	Yest'day's close	Previous close	Business done
	$ per tonne		
Aug	158.20-58.40	155.20-55.40	159.60-53.40
Oct	168.00-58.20	154.20-54.40	159.40-52.60
Dec	175.20-75.60	171.20-71.40	176.00-70.60
Mar	196.80-94.00	190.00-90.20	195.40-91.20
May	201.80-02.00	197.00-97.40	203.00-98.80
Aug	210.60-12.00	207.00-08.20	214.00-10.00
Oct	221.00-24.00	217.00-20.00	—

Sales: No 6 2,804 (4,644) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £213.00 (£210.00) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices to May 8: Daily price 5.47 (same); 15-day average 5.78 (5.82).

LONDON DAILY PRICE—Raw sugar £107.50 ($149.50), up £2.50 (up $3.50), a tonne fob, May-June delivery. White sugar $163.50, up $3.50.

Quotations recovered about $5.00 but the action appeared little more than a technical correction to the recent very sharp fall, reports C. Czarnikow.

INDICES

FINANCIAL TIMES

May. 9	May. 8	M'th ago	Year ago
310.66	310.83	305.82	272.33

(Base: July 1 1952=100)

REUTERS

May 9	May 8	M'th ago	Year ago
1988.6	1982.8	2000.9	1796.8

(Base: September 18 1931=100)

MOODY'S

May 8	May 3	M'th ago	Year ago
1071.0	1071.1	1078.7	1065.5

(Base: December 31 1931=100)

DOW JONES

Dow Jones	May 8	May 3	Month ago	Year ago
Spot	158.4	140.24	142.11	146.56
Fut's	138.96	141.15	144.07	150.34

(Base: December 31 1974=100)

COTTON

LIVERPOOL—Spot and shipment sales amounted to 20 tonnes. Activity was on a restricted scale and operations were only tentative. A scrappy demand came forward in certain African styles while Middle Eastern speciality types were in modest request. Users seemed reluctant to purchase extensive quantities for the time being.

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. May 420, 427, 422; Aug 443, 448, 445-441; Oct 445, 448, 447-443; Dec 453, 459, 453-452; Jan 454, 460, 453-452; March 462, 467, 463-462; May 472, 474, 472; Aug 484, 486, 484; Oct 484, 487, 484. Sales: 46.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. May 566.0, 568.0, 566.0-565.0; July 579.0, 580.0, 580.0-579.0; Oct 568.0, 573.0, untraded; Dec 579.0, 580.0, 580.0-578.0; March 585.0, 589.0, 588.0; May 595.0, 598.0, untraded; July 602.0, 603.0, 604.0-603.0; Oct 594.0, 598., untraded. Sales: 56.

HIDES

HIDES—Manchester, Leeds (Birmingham). Second clears. Ox: 31-35.5 kg, 108.0p a kg, 108.6p a kg (100.5p withdrawn); 26-30.5 kg, 116.1p a kg, 113.9p a kg (108.6p); 22-25.5 kg, 119.8p a kg, 119.1p a kg (114.9p withdrawn). Cows: 25.5 kg, 119.5p a kg, 119.7p a kg (115.0p).

AMERICAN MARKETS

NEW YORK, May 9.

Precious metals remained under pressure as U.S. interest rates continued to move higher on reports of a weak auction result, reports Heinold Commodities. Copper attracted light support from an oversold condition but met resistance on rallies from dealer selling. Sugar showed marginal gains on short-covering and recent reports of dry weather in the Soviet beet areas. Cocoa showed slight gains in light activity on manufacturer pricing. Coffee came under pressure from light profit-taking. Cotton, after early follow-through selling, recovered late in the session on forecasts of precipitation in the delta later this week which will continue to delay plantings. Heating oil firmed in reaction to a constructive trade stocks report as well as increased concern that Iraq would step up its attacks on Kharg Island oil trac. Grains and soyabeans were mixed on profit-taking ahead of the USDA wheat crop and 1984-85 world crop estimates. Hedging pressure was noted in soyabeans which was due to an increase in country movement overnight but support was derived from expected good exports.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
May	61.60	—	—	62.10
June	62.00	—	—	62.50
July	62.60	63.30	62.50	63.15
Sept	63.70	64.15	64.15	64.25
Dec	65.35	—	—	65.90
Jan	65.90	—	—	66.45
March	67.00	—	—	67.55
May	68.10	—	—	68.65
July	69.20	—	—	69.75
Sept	70.30	—	—	70.85

COCOA 10 tonnes, $/tonnes

	Latest	High	Low	Prev
May	2550	2574	2550	2545
July	2554	2589	2552	2553
Sept	2565	2597	2563	2569
Dec	2491	2517	2490	2495
March	2485	2490	2480	2480

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
May	150.99	52.40	50.90	52.25
July	148.16	49.40	48.05	49.22
Sept	144.75	45.70	44.55	45.50
Dec	141.35	42.45	41.35	41.72
March	139.38	40.00	39.55	39.88
May	137.55	38.35	38.00	37.40
July	136.05	37.00	37.00	36.88
Sept	134.50	—	—	36.50

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
May	62.00	62.70	62.00	61.80
June	62.40	—	—	62.25
July	63.05	64.00	62.90	62.90
Sept	64.40	65.35	64.30	64.25
Dec	66.35	67.20	66.25	66.20
Jan	67.00	67.30	67.30	66.85
March	68.35	69.20	68.15	68.10
May	69.75	70.35	69.80	69.50
July	71.10	71.65	71.55	70.85
Sept	72.50	73.00	72.60	72.20

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
July	83.29	83.29	82.22	82.84
Oct	80.10	80.10	79.45	79.80
Dec	77.45	77.50	76.86	77.16
March	78.80	78.90	78.25	78.45
May	79.20	—	—	82.39
July	79.30	78.90	78.90	78.90
Oct	77.70	77.60	77.50	78.00

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Latest	High	Low	Prev
June	30.33	30.35	30.22	30.22
July	30.34	30.35	30.18	30.20
Aug	30.33	30.37	30.20	30.22
Sept	30.35	30.36	30.26	30.23
Oct	30.35	30.35	30.32	30.24
Nov	30.32	30.32	30.32	30.22
Dec	30.35	30.32	30.29	30.22
Jan	30.32	30.32	30.32	30.22
Feb	30.20	—	—	30.17

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
May	371.2	372.8	372.7	373.6
June	373.3	376.0	372.6	375.9
July	376.8	—	—	379.4
Aug	380.2	382.8	379.5	382.9
Oct	387.7	390.2	387.2	390.3
Dec	395.6	398.5	395.0	398.1
Feb	403.9	405.5	405.4	406.3
April	412.2	413.8	410.8	414.5
June	421.1	422.8	422.8	423.3
Aug	430.3	—	—	432.4
Oct	439.7	—	—	441.7
Dec	449.2	—	—	451.1
Feb	458.9	—	—	460.7

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
June	80.90	81.00	79.85	79.43
July	79.65	79.75	78.70	78.47
Aug	80.10	80.35	79.40	79.24
Sept	81.00	81.30	80.40	80.25
Oct	82.10	82.20	81.60	81.25
Nov	83.20	83.20	82.50	82.25
Dec	84.10	83.50	83.50	83.50
Jan	85.00	—	—	84.50
Feb	84.50	—	—	85.00

ORANGE JUICE 15,000 lbs, cents/lb

	Close	High	Low	Prev
May	187.45	87.45	85.10	87.00
July	186.35	87.00	83.00	84.70
Sept	184.65	84.90	81.20	82.40
Nov	180.00	80.30	77.25	77.15
Jan	178.00	78.75	75.50	76.70
March	178.00	78.00	75.75	
May	177.00	74.50	74.50	74.75
Sept	176.50	—	—	74.50

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
May	379.5	—	—	381.8
June	383.0	—	—	385.3
July	388.5	390.0	395.0	388.8
Oct	394.7	398.1	394.5	397.0
Jan	402.7	406.0	404.5	405.0
April	410.7	414.3	412.0	413.0
July	419.1	—	—	421.4

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
May	861.6	874.0	860.0	868.4
June	866.5	873.0	873.0	873.6
July	875.0	888.0	866.0	882.0
Sept	892.6	905.0	887.0	899.5
Dec	919.3	931.0	913.0	926.1
Jan	928.7	—	—	935.2
March	947.6	959.0	946.0	954.0
May	967.2	961.0	961.0	973.4
July	987.8	987.0	983.0	993.6
Sept	1009.1	—	—	1015.1

SUGAR WORLD "11" 112,000 lbs, cents/lb

	Close	High	Low	Prev
July	5.71	5.90	5.65	5.60
Sept	6.03	6.18	6.00	5.95
Oct	6.29	6.45	6.25	6.18
Jan	6.85	7.10	6.85	6.71
March	7.43	7.58	7.42	7.35
May	7.76	7.93	7.75	7.63
July	8.07	8.25	8.06	7.96
Sept	8.45	8.50	8.50	8.35
Oct	8.61	8.80	8.67	8.44

CHICAGO

LIVE CATTLE 40,000 lbs, cents/lb

	Close	High	Low	Prev
June	66.57	66.97	66.30	66.40
Aug	63.87	64.40	63.80	63.82
Oct	62.57	62.95	62.50	62.67
Dec	63.47	63.75	63.42	63.60
Feb	63.95	64.15	63.90	64.07
April	64.47	64.60	64.47	64.50

LIVE HOGS 30,000 lbs, cents/lb

	Close	High	Low	Prev
June	54.97	55.35	54.77	55.12
July	58.42	58.95	58.15	58.75
Aug	58.75	59.25	58.60	59.05
Oct	56.30	56.60	56.05	56.30
Dec	56.75	56.95	56.50	56.95
Feb	56.85	56.97	56.65	56.82
April	52.87	52.90	52.70	53.00
June	55.00	55.00	54.70	55.10
July	54.10	54.10	54.10	54.52

MAIZE 5,000 bu min, cents/56 lb bushel

	Close	High	Low	Prev
May	349.2	352.2	348.6	351.6
July	347.2	350.4	346.4	349.0
Sept	320.4	323.2	319.6	322.6
Dec	299.0	303.0	298.2	302.4
March	308.2	311.4	308.0	311.6
May	311.2	315.0	311.2	314.6

PORK BELLIES 38,000 lbs, cents/lb

	Close	High	Low	Prev
May	67.87	68.30	66.90	68.17
July	67.72	68.40	66.90	68.17
Aug	66.47	67.30	65.90	67.07
Feb	76.62	77.35	76.50	76.75
March	76.00	76.45	75.90	76.00
May	77.75	77.75	77.20	78.15
July	78.85	78.85	78.10	79.25
Aug	76.00	76.00	76.00	76.85

SOYABEANS 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
May	827.6	833.0	823.0	828.6
July	836.0	842.0	837.0	838.4
Aug	824.2	828.0	817.4	822.4
Sept	764.4	769.0	762.0	768.2
Nov	724.4	727.4	721.4	728.2
Jan	735.4	737.0	732.0	736.8
March	746.4	747.4	744.0	747.0
May	753.4	755.0	752.0	754.0
July	758.0	759.0	757.4	758.4

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
May	189.1	190.2	188.5	190.0
July	195.1	197.0	194.0	196.1
Aug	196.1	197.5	196.3	196.5
Sept	192.2	193.5	191.5	192.5
Oct	185.3	186.5	184.0	186.1
Dec	186.8	187.5	185.8	187.8
Jan	188.0	189.0	187.5	189.2
March	190.3	191.5	190.0	191.3
May	192.0	193.5	192.0	192.8

SOYABEAN OIL 60,000 lbs, cents/lb

	Close	High	Low	Prev
May	36.53	36.75	36.01	34.32
July	36.17	36.40	35.50	35.90
Aug	35.02	35.20	34.50	34.86
Sept	33.27	33.60	32.80	33.25
Oct	30.30	30.50	30.06	30.35
Dec	29.55	29.00	28.50	28.90
Jan	28.03	28.80	28.00	28.40
March	28.00	28.30	28.00	28.15
May	28.37	—	—	28.20

WHEAT 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
May	368.4	370.0	365.4	369.0
July	344.4	346.6	342.2	344.4
Sept	344.6	347.0	343.8	344.4
Dec	357.6	359.4	356.4	357.2
March	367.4	369.4	366.0	366.4
May	371.0	371.0	371.0	371.0

SPOT PRICES—Chicago loose lard 31.00 (same) cents per pound. New York tin 584.0-88.0 (586.0-90.0) cents per pound.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

White House row hits dollar

The dollar fell quite sharply on the foreign exchanges in late European trading on signs of a continuing rift between the White House and the Federal Reserve about U.S. monetary policy. Mr Martin Feldstein, chairman of the Administration's Council of Economic Advisers, announced he will be leaving his post on July 10 after previously defending the action of the central bank. This followed criticism of the Fed chairman, Mr Paul Volcker, by the White House as U.S. interest rates continued to rise resulting in another increase in bank prime rates on Tuesday. There was already a softer tone to the dollar during early trading as a result of the better-than-expected outcome to the latest Treasury three-year note auction, although underlying sentiment still seems to point towards a quick resumption of the dollar's upward trend.

On Bank of England figures the dollar's trade-weighted index eased to 131.6 from 131.7.

The dollar fell to DM 2.7660 from DM 2.7820 against the D-mark; FFr 8.4825 from FFr 8.5325 against the French franc; SwFr 2.2775 from SwFr 2.2810 in terms of the Swiss franc; and Y228.75 from Y229 against the Japanese yen.

STERLING — Trading range against the dollar in 1984 is 1.4940 to 1.3835. April average 1.4226. Trade-weighted index 80.0, compared with 79.9 at noon, 80.1 at the opening, 80.0 at the previous close, and 83.9 six months ago.

Sterling recorded small mixed changes, showing little reaction to the rise in clearing bank base rates. The increase had been expected for some days, and therefore the pound's upward move against the dollar was merely in line with other currencies. It opened at $1.3860-$1.3870, and after touching a low of $1.3780-1.3790 in the early afternoon, closed at $1.3895-$1.3905, a rise of 65 points on the day. Sterling also improved to Y318.25 from Y317, and SwFr 3.1675 from SwFr 3.1575, but declined to DM 3.8450 from DM 3.85 and FFr 11.7850 from FFr 11.80.

D-MARK — Trading range against the dollar in 1984 is 2.8425 to 2.5535. April average 2.6435. Trade weighted index 124.3 against 125.9 six months ago.

The dollar fell to DM 2.7769 from DM 2.7812 against the dollar at yesterday's fixing in Frankfurt with the Bundesbank selling $50m at the fixing. Sales by the Bundesbank were quickly picked up as the dollar attracted renewed demand on fears of higher U.S. interest rates.

Sterling was lower against the D-mark despite a rise in UK base rates. The latter had been widely anticipated and the pound slipped to DM 3.8400 from DM 3.8610. Elsewhere the Swiss franc eased to DM 1.2170 from DM 1.2176. Within the EMS the Belgian franc eased to DM 4.9180 per BFr 100 from DM 4.9270 and the French franc was lower at DM 32.595 per FFr 100 from DM 32.60. The Dutch guilder was also weaker at DM 88.96 per DM 100 compared with DM 89.00.

BELGIAN FRANC — Trading range against the dollar in 1984 is 57.92 to 52.24. April average 53.98. Trade-weighted index 89.6 against 90.2 six months ago.

There was no intervention by the Belgian central bank in the week ending May 7 in support of the Belgian franc, according to figures released yesterday. This was the fifth consecutive week that the authorities had not intervened and underlined the relative stability within the EMS. This is likely to continue as long as the D-mark remains depressed against the dollar.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU May 9	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.5905	+1.54	+1.49	±1.5447
Danish Krone ...	8.14104	8.18871	+0.59	+0.54	±1.6425
German D-Mark	2.24184	2.24322	+0.06	+0.01	±1.0642
French Franc ...	6.87456	6.88295	+0.12	+0.07	±1.4052
Dutch Guilder ...	2.52595	2.52156	−0.17	−0.22	±1.4984
Irish Punt	0.72569	0.729118	+0.47	+0.42	±1.6689
Italian Lira	1403.49	1384.21	−1.37	−1.37	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

£ in New York (latest)

	May 9	Prev. close
Spot	$1.3890-3900	$1.3840-3850
1 month	0.24-0.26 dis	0.24-0.26 dis
3 months	0.76-0.79 dis	0.73-0.75 dis
12 months	3.28-3.35 dis	3.18-3.24 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

May 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.3780-1.3910	1.3895-1.3905	0.23-0.27c dis	−2.16	0.75-0.80dis	−2.23
Canada	1.7875-1.8005	1.7990-1.8000	0.26-0.35c dis	−2.03	0.92-1.02dis	−2.16
Nethlnd.	4.30-4.33½	4.32-4.33	1½-1¼c pm	3.64	3⅞-3⅝ pm	3.35
Belgium	77.85-78.50	78.45-78.55	15-20c dis	−2.67	47-56 dis	−2.62
Denmark	13.99-14.05	14.04-14.05	2-2½ore dis	−1.92	4⅞-5¼ dis	−1.51
Ireland	1.2460-1.2555	1.2510-1.2520	0.32-0.39p dis	−3.40	0.86-1.02dis	−3.00
W. Ger.	3.83-3.86	3.84-3.85	1¼-1pf pm	3.51	3½-3¼ pm	3.58
Portugal	192.75-194.50	194.00-194.50	89-258c dis	−10.72	326-458 dis	−8.07
Spain	214.00-216.00	215.60-215.80	133-158c dis	−8.09	408-458 dis	−8.03
Italy	2363-2380	2373-2376	10½-12½lire dis	−5.81	34¼-37 dis	−6.04
Norway	10.82-10.90½	10.89-10.90	3¾-4¾ore dis	−4.61	10¼-11⅝ dis	−3.97
France	11.76½-11.83	11.78-11.79	2⅞-3½c dis	−3.24	9½-10⅝ dis	−3.35
Sweden	11.21½-11.26½	11.25½-11.26½	½-1½ore dis	−1.06	2-3¼ dis	−0.93
Japan	316-319	317¾-318¾	0.83-0.76y pm	3.02	2.57-2.45 pm	3.17
Austria	26.88-27.08	26.97-27.02	5¼-4⅝gro pm	2.30	18¾-15¾ pm	2.52
Switz.	3.15¾-3.17¾	3.16¼-3.17¼	1⅝-1⅜c pm	5.68	4½-4¼ pm	5.44

Belgian rate is for convertible francs. Financial franc 79.55-79.65.
Six-month forward dollar 1.58-1.63c dis. 12-month 3.30-3.40c dis.

THE DOLLAR SPOT AND FORWARD

May 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.3780-1.3910	1.3895-1.3905	0.23-0.27c dis	−2.16	0.75-0.80dis	−2.23
Ireland†	1.1055-1.1125	1.1110-1.1120	0.12-0.06c pm	0.97	0.24-0.15 pm	0.72
Canada	1.2945-1.2960	1.2945-1.2950	0.02c pm-par	0.09	0.02 pm-par	0.03
Nethlnd.	3.1100-3.1285	3.1100-3.1120	1.51-1.46c pm	5.71	4.26-4.21 pm	5.42
Belgium	56.35-56.48	56.46-56.48	2½-4c dis	−0.69	4-7 dis	−0.39
Denmark	10.10-10.15½	10.10¼-10.10¾	1-½ore pm	0.89	3½-3 pm	1.28
W. Ger.	2.7625-2.7860	2.7655-2.7665	1.34-1.29pf pm	5.68	4.02-3.97 pm	5.75
Portugal	139.70-140.40	139.75-140.25	40-160c dis	−8.57	160-540dis	−10.00
Spain	154.45-155.40	154.50-154.60	65-75c dis	−5.41	200-230 dis	−5.54
Italy	1708-1717	1708-1709	5-6½lire dis	−4.37	17-18 dis	−4.08
Norway	7.8275-7.8600	7.8400-7.8450	1.40-1.90ore dis	−2.52	3.20-3.70dis	−1.76
France	8.4800-8.5450	8.4800-8.4850	0.60-0.75c dis	−0.95	2.20-2.70dis	−1.15
Sweden	8.1000-8.1450	8.1000-8.1050	0.95-0.45ore pm	1.03	2.85-2.35 pm	1.28
Japan	228.45-229.90	228.70-228.80	1.01-0.97y pm	5.18	3.08-3.03 pm	5.33
Austria	19.44-19.57	19.44½-19.45½	7½-7gro pm	4.45	24-22 pm	4.70
Switz.	2.2770-2.2905	2.2770-2.2780	1.51-1.47c pm	7.82	4.44-4.40 pm	7.73

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 57.25-57.30.

OTHER CURRENCIES

May. 9	£	$		£ Note Rates
Argentina Peso ..	54.00-54.09	39.06-39.09	Austria	26.85-27.15
Australia Dollar.	1.5215-1.5235	1.0980-1.0990	Belgium	78.90-79.70
Brazil Cruzeiro...	2,025.4-2,036.5	1,465-1,472	Denmark	13.95-14.09
Finland Marka ...	8.0820-8.1050	5.8300-5.8350	France	11.73-11.84
Greek Drachma .	150.70-151.10	108.70-109.00	Germany	3.82¼-3.86¼
Hong Kong Dollar	10.799-10.8065	7.8170-7.8190	Italy	2350-2380
Iran Rial	123.00*	88.60*	Japan	315-320
Kuwait Dinar(KD)	0.4080-0.4086	0.29505-0.29515	Netherlands	4.29¾-4.33¾
Luxembourg Fr..	78.45-78.55	56.46-56.48	Norway	10.78-10.89
Malaysia Dollar...	3.1710-3.1775	2.2960-2.2975	Portugal	188-197
New Zealand Dlr.	2.1320-2.1370	1.5380-1.5395	Spain	207¾-217¾
Saudi Arab. Riyal	4.8695-4.8745	3.5210-3.5220	Sweden	11.19-11.30
Singapore Dollar	2.8960-2.9025	2.0960-2.0975	Switzerland	3.14½-3.17½
Sth African Rand	1.7680-1.7680	1.2705-1.2720	United States.....	1.37-1.39
U.A.E. Dirham....	5.0780-5.0835	3.6720-3.6730	Yugoslavia	192-227

* Selling rates.

CURRENCY MOVEMENTS

May. 9	Bank of England Index	Morgan Guaranty Changes%
Sterling	80.0	−10.4
U.S. dollar	131.6	+19.5
Canadian dollar....	88.8	−3.2
Austrian schilling..	114.6	+3.2
Belgian franc........	89.6	−11.5
Danish kroner	77.7	−6.6
Deutsche mark......	124.3	+7.5
Swiss franc..........	145.7	+10.9
Guilder..............	114.2	+4.4
French franc	65.7	−15.5
Lira	48.0	−13.2
Yen	160.4	+15.7

Morgan Guaranty changes: average 1980-82=100. Bank of England index (base average 1975=100).

CURRENCY RATES

May 9	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.781534	0.584616
U.S. $	9	1.05892	0.806770
Canadian$...	11.13	*	1.04477
Austria Sch .	4¼	20.2756	15.7401
Belgian Fr ...	11	58.5980	45.5905
Danish Kr	7	10.5243	8.18871
D'mark	4	2.88498	2.24322
Guilder.........	5	3.24663	2.52156
French Fr.....	9½	8.86355	6.88295
Lira	15½	1782.84	1384.21
Yen	5	238.017	185.073
Norwgn Kr ..	8	8.13994	6.33798
Spanish Pta	—	161.245	125.267
Swedish Kr..	8½	8.42980	6.56267
Swiss Fr	4	2.37393	1.84387
Greek Dr'ch	20½	N/A	87.9137

* C$/SDR rate for May 4: 1.34727.

EXCHANGE CROSS RATES

May 9	Pound St'rling	U.S. Dollar	Deusche m'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.390	3.845	318.3	11.785	3.168	4.325	2374.	1.800	78.50
U.S. Dollar	0.719	1.	2.766	228.8	8.483	2.278	3.111	1709.	1.296	56.47
Deutschemark	0.260	0.362	1.	82.77	3.065	0.824	1.125	617.4	0.468	20.42
Japanese Yen 1,000	3.142	4.368	12.08	1000.	37.03	9.953	13.59	7460.	5.654	246.7
French Franc 10	0.849	1.179	3.263	270.0	10.	2.688	3.670	2014.	1.527	66.61
Swiss Franc	0.316	0.439	1.214	100.5	3.721	1.	1.365	749.5	0.568	24.78
Dutch Guilder	0.231	0.321	0.889	73.58	2.725	0.732	1.	548.9	0.416	18.15
Italian Lira 1 000	0.421	0.585	1.620	134.1	4.964	1.334	1.822	1000	0.758	33.07
Canadian Dollar	0.556	0.772	2.137	176.9	6.549	1.760	2.403	1319.	1.	43.62
Belgian Franc 100	1.274	1.771	4.898	405.4	15.01	4.035	5.510	3024.	2.292	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

May 9	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Kroner
Short term	8¼-8⅜	10¾-11	10⅜-10⅝	5 9/16-5 11/16	3-3⅛	5 5/16-5 7/16	11½-11¾	15-16	11½-12¼	11-11½	5 11/16-5 13/16	12½-13
7 days' notice	8⅝-8¾	10¾-11	10⅛-10⅞	5⅝-5¾	2⅞-3	5 5/16-5 7/16	11¾-12	16⅛-16⅝	11¼-12	11½-11¾	5 11/16-5 13/16	10⅝-11⅛
Month	9 1/16-9⅛	10⅞-11⅛	10 13/16-11	5 11/16-5 13/16	3½-3⅝	5⅝-5 11/16	11⅞-12⅛	15-15½	11⅛-12	11¾-12	5⅞-6	10½-11
Three months	9 5/16-9 7/16	11 1/16-11 3/16	11 1/16-11½	6 1/16-6 3/16	3⅞-4	5⅞-6	12⅝-12⅞	15⅝-15⅞	11¾-12¼	11⅞-12⅛	6 1/16-6 3/16	10¾-11¼
Six months	9 11/16-9 13/16	11 15/16-12 1/16	11 11/16-12	6 1/16-6 3/16	4 5/16-4 7/16	6⅛-6¼	13½-13¾	16⅛-16½	12-12½	11⅞-12⅛	6¼-6⅜	10¾-11¼
One year	10 1/16-10 3/16	12½-12¾	12⅛-12½	6⅜-6½	4 5/16-4 7/16	6⅜-6½	14⅜-14⅝	17-17½	12½-13	11⅞-12⅛	6 5/16-6 7/16	11¼-11¾

Asian $ (closing rates in Singapore): Short-term 10¾-10⅞ per cent; seven days 10⅞-11 per cent; one month 10 15/16-11 1/16 per cent; three months 11½-11⅝ per cent; six months 11 15/16-12 1/16 per cent; one year 12½-12⅝ per cent. Long-term Eurodollars two years 13-13½ per cent; three years 13¼-13½ per cent; four years 13½-13¾ per cent; five years 13¾-14 per cent nominal closing rates. Short-term rates are call for U.S. banks and Japanese yen; two days' notice.

MONEY MARKETS

Base rates rise to 9-9¼%

Short-term interest rates were steady on the London money market yesterday, having already discounted a rise in clearing bank base rates. The split in new base rates, with two of the major clearers going to 9 per cent and the other two to 9¼ per cent, created some confusion however on a rare day when the authorities were not involved in money market operations.

This left dealers speculating on where the Bank of England will pitch its new dealing rates after yesterday's moves. With bill rates already looking towards the base rate increase, there was a slight tendency to ease on the news, and discount houses selling rates for three-month bank bills declined to 9 1/16 per cent from 9 3/16 per cent. At the same time three-month interbank money was unchanged at 9 7/16 per cent.

UK clearing banks' base lending rate 9-9¼ per cent (since May 10)

The Bank of England forecast a flat position in the money market, with major factors roughly in balance, and did not intervene throughout. Bills maturing in official hands, repayment of late assistance, and a take-up of Treasury bills from Friday's tender drained £226m. On the other hand Exchequer transactions added £190m to liquidity, and the market was also helped by a fall in the note circulation of £10m. and bank balances above target of £40m.

In Frankfurt call money was quoted at around 5.55 per cent after touching 5.60 per cent on Tuesday as funds drained from the money market following the expiry at the beginning of the week of between DM 2.5bn and DM 3bn in currency swaps without replacement. Banks also paid for two-year non-interest bearing bonds offered by the Federal authorities on Friday, and this absorbed about DM 500m.

In Zurich the four major Swiss banks raised the interest rates on customer time deposits with maturities between three and 12 months by ¼ per cent following a recent increase in Euro Swiss franc rates. The new rates are 3¼ per cent on deposits between three and eight months; 3½ per cent on nine to 11-month deposits; and 3¾ per cent on 12-month deposits. The last change in rates was on February 2, when all except 12-month deposits were cut by ¼ per cent.

In Paris the Bank of France cut its money market intervention rate to 11¾ per cent from 12 per cent and call money fell to 11⅛ per cent from 12⅞ per cent. The intervention rate had been steady since it was reduced from 12½ per cent on November 30.

In New York the Federal Reserve injected funds into the banking system through overnight repurchase agreements for system account when Federal funds were trading at 11 per cent.

MONEY RATES

May 9	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.5-5.6	11⅛	2-3	5½-5⅝	5.59375	16½-16⅞	7.50	10½-11
One month	5.75-5.90	12-12⅛	3½-3⅝	5 7/16-5 9/16	6.09375	16½-16⅞	11⅝-11⅞	12⅜-12⅝
Two months	5.80-5.95	12-12⅛	—	—	—	—	—	12½-12¾
Three months	5.90-6.05	12 1/16-12 3/16	3⅞-4	5 9/16-5 11/16	6.21875	16¾-17⅛	11⅞-12⅛	12⅝-12⅞
Six months	6.00-6.15	12 5/16-12 7/16	—	6⅛-6 3/16	—	—	11⅞-12⅛	12⅞-13⅛
Lombard	5.5	—	—	—	—	—	—	—
Intervention	—	11¾	—	5⅞	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

May 9 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	1-8¾	6¼-8	5-8	2-8	—	—	—	—	—
2 days notice	—	—	8¾	—	—	—	—	—	—	—
7 days or	—	—	—	8¾-8⅞	8-8½	—	—	—	—	—
7 day notice	—	8⅞	8⅞	—	—	—	—	—	—	—
One month	9¼-9	9 3/16	[illegible]	9¼	9	8⅞	—	9	—	9½
Two months	[illegible]	[illegible]	[illegible]	9¼	—	8⅞	—	9	—	9¾
Three months	9¼-9⅜	9 7/16	[illegible]	[illegible]	9-9⅛	8 13/16	—	9 1/16	—	9¾
Six months	9¾-9⅝	[illegible]	[illegible]	—	—	—	—	—	—	—
Nine months	9⅞-9¾	[illegible]	—	—	—	—	—	—	—	—
One year	10-9⅞	10⅛-10	10⅛	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month......	9½-9¼	—	9⅛	10.85-10.95	9½-9⅜	9⅛-9½
Two months.....	9⅝-9½	—	9⅛	11.05-11.15	9¼-9⅛	9⅜-9¼
Three months...	9¾-9⅝	—	9⅜	11.25-11.35	9⅜-9¼	9⅞-9¾
Six months.....	9¾-9⅝	—	9⅝	11.7-11.8	10-10⅛	9½-9⅜
Nine months....	10-9⅞	—	9⅞	11.95-12.15	—	—
One year.......	10¼-10⅛	—	10⅛	12.35-12.45	10¼-10⅛	10-10⅛
Two years......	—	10⅛	—	—	—	—
Three years....	—	10½	—	—	—	—
Four years.....	—	11¼	—	—	—	—
Five years.....	—	11½	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV. Average Rate of interest period April 4 to May 1 1984 (inclusive): 8.934 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 9 per cent from May 1, 1984. London and Scottish Clearing Bank Rates for lending 9-9¼ per cent. London Deposit Rate for sums at seven days' notice 5¼-6 per cent. Treasury Bills: Average tender rates of discount 8.8425 per cent. Certificates of Tax Deposit (Series 6). Deposit of £100,000 and over held under one month 9¼ per cent; one-three months 9½ per cent; three-six months 9¾ per cent; six-nine months 10 per cent; nine-12 months 10 per cent. Under £100,000 9 per cent from May 10. Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 7 per cent.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	12½
Broker loan rate	12-12¼
Fed funds	10¾
Fed funds at intervention	11

Treasury Bills

One month	9.30
Two month	9.60
Three month	10.55
Six month	10.25
One year	10.37

Treasury Bonds

Two year	99⅞
Three year	99⅞
Four year	97⅞
Five year	95⅞
Seven year	97⅛
10 year	92⅞
30 year	81⅞

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11.00 a.m. May 9)

3 months U.S. dollars	
bid 11 1/2	offer 11 5/8

6 months U.S. dollars	
bid 11 7/8	offer 12

* The rate for May 8 should have read 11 13/16 to 12 3/16.

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

FINANCIAL FUTURES

Gilts firm

Gilt prices improved in the London International Financial Futures Exchange yesterday. Values were marked firmer initially with the market adopting a better tone after an encouraging reception to the latest U.S. Treasury refunding package. Enthusiasm in the U.S. had been muted however and there was little follow through.

Nevertheless prices opened firmer and rallied sharply initially. A rise in UK clearing bank base rates had been discounted and there was little reaction in view of the fact that the rise in rates had followed a move in market rates rather than the other way round and was therefore viewed more as a catching up process. There was little movement after the opening of U.S. centres but values were marked up briefly on comments by Mr Martin Feldstein that the Reagan administration was united in its desire to see a reduction in the U.S. budget deficit. At the same time he announced his resignation from the post of chairman of the council of economic advisers on July 10.

The June price opened at 105-04 up from 104-28 and touched a high of 105-16 before closing at 105-13.

Short sterling prices opened firmer and tried to rally after the rise in base rates but slipped back to finish slightly above Tuesday's settlement price. The June contract opened at 90.65 and closed at 90.63 compared with 90.62 previously.

Euro-dollar prices opened firmer on the results of the U.S. refunding package but failed to attract any follow through to close near the day's lows but up from Tuesday.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
June	88.39	88.47	88.36	88.35
Sept	87.75	87.81	87.72	87.68
Dec	87.31	87.36	87.30	87.27
March	86.98	86.98	86.98	86.92
June	86.44	—	—	86.58

Volume 3,352 (7,402)
Previous day's open int. 14,726 (15,358)

THREE-MONTH STERLING DEPOSIT £250,000 points of 100%

	Close	High	Low	Prev
June	90.63	90.69	90.51	90.62
Sept	90.20	90.25	90.19	90.16
Dec	89.77	89.84	89.76	89.72
March*	89.41	89.46	89.40	89.33
June*	89.07	—	—	89.07

Volume 2,198 (2,328)
Previous day's open int. 8,121 (8,962)
* £500,000 points of 100%

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev
June	105-13	105-16	105-02	104-28
Sept	104-24	104-25	104-15	104-08
Dec	104-07	104-07	103-30	103-21
March	103-25	103-25	103-16	103-10
June	103-10	103-10	103-01	102-31

Volume 3,222 (3,500)
Previous day's open int. 6,394 (6,481)
Basis quote (clean cash price of 13¼% Treasury 2003 less equivalent price of near futures contract) 22 to 32 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
June	1.3890	1.3903	1.3820	1.3845
Sept	1.3940	1.3960	1.3830	1.3925
Dec	1.4023	—	—	1.4010

Volume 544 (166)
Previous day's open int. 2,944 (2,916)

DEUTSCHE MARKS DM 125,000 $ per DM

	Close	High	Low	Prev
June	0.3626	0.3626	0.3608	0.3611
Sept	0.3678	—	—	0.3660

Volume 45 (129)
Previous day's open int. 450 (451)

SWISS FRANCS SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
June	0.4409	0.4409	0.4400	0.4413
Sept	0.4458	—	—	0.4463

Volume 1 (15)
Previous day's open int. 1,589 (1,589)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.4381	0.4387	0.4379	0.4382
Sept	0.4438	—	—	0.4436

Volume 16 (44)
Previous day's open int. 386 (419)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	63-00	63-17	62-29	63-17
Sept	62-11	62-29	62-09	62-30
Dec	61-30	62-15	61-27	62-16
March	61-19	62-02	61-16	62-04
June	61-11	61-24	61-07	61-26
Sept	61-04	61-16	61-03	61-18
Dec	60-30	61-08	60-30	61-11
March	60-24	61-01	60-24	61-04

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	89.59	89.67	89.56	89.64
Sept	88.99	89.10	88.97	89.08
Dec	88.61	88.71	88.59	88.69
March	88.29	88.39	88.29	88.38
June	88.04	88.12	88.02	88.12
Sept	87.82	87.89	87.82	87.92
Dec	87.66	87.70	87.65	87.72
March	87.47	87.49	87.47	87.52

CERT. DEPOSIT (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	88.44	88.57	88.43	88.60
Sept	87.77	87.84	87.74	87.95
Dec	87.36	87.46	87.30	87.51
March	86.99	87.12	86.96	87.15

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	88.01	88.13	87.99	88.16
Sept	87.33	87.49	87.30	87.50
Dec	86.89	87.04	86.86	87.06
March	86.54	86.67	86.52	86.70
June	86.24	86.37	86.22	86.40

STERLING (IMM) Se per £

	Latest	High	Low	Prev
June	1.3840	1.3860	1.3815	1.3880
Sept	1.3925	1.4035	1.3890	1.3955
Dec	1.4010	1.4080	1.3970	1.4030
March	1.4080	1.4185	1.4080	1.4110

GNMA (CBT) $100,000 32nds of 100%

	Latest	High	Low	Prev
June	66-22	67-04	66-15	67-03
Sept	65-16	65-29	65-15	65-29
Dec	64-16	64-30	64-16	64-30
March	63-26	64-03	63-25	64-05
June	—	—	—	63-16
Sept	—	62-23	62-20	62-31
Dec	—	—	—	62-18

INTERNATIONAL CAPITAL MARKETS

Electricité de France to raise £75m bulldog bond issue

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

ELECTRICITE de France is raising £75m through a 28-year bulldog bond issue launched yesterday through Kleinwort Benson.

The bonds will be priced to yield 1.35 per cent more than the British Treasury 13½ per cent stock maturing in 2004/08. Coupon and issue price are to be set today but on the basis of yesterday's closing price for the reference issue, the yield would be around 13.11 per cent.

A feature of the issue is that it carries a series maturity, which means that bond holders will be repaid in four equal instalments starting in 2009 and gives the issue an average maturity of 26-years. The bond is being launched in partly paid form with 25 per cent due immediately and the balance on September 13.

Kleinwort Benson said yesterday that pricing was expected to allow for a shallow discount from par. Although the bond was launched on a day when sterling was again weak in the exchange markets and British banks raised their base rates, reception was generally favourable. The issue had been fully placed yesterday afternoon.

International bond markets yesterday were generally in the doldrums against a backdrop of continuing fears over higher U.S. interest rates, but in the dollar sector, where prices stabilised after Tuesday's sharp falls, two new issues were launched, both with equity-related sweetners.

Royalco, the Japanese restaurant chain, launched a $40m convertible through Nippon Kangyo Kakumaru and Robert Fleming. Pricing will be set on May 15.

BHF Bank bond average

May 9		Previous
94.405		98.424
High	1984	Low
100.009		98.056

San Miguel to raise pesos 1bn domestically

BY EMILIA TAGAZA IN MANILA

SAN MIGUEL, the Philippine's largest quoted company, is to raise most of its financing for this year on the domestic market in anticipation of the present freeze on overseas borrowing continuing. Plans for the issuing of pesos 1bn ($71.4m) in long-term commercial paper and bonds on the local market were announced at the company's annual meeting yesterday.

San Miguel's last major foreign borrowing was a $200m Euroloan raised in Hong Kong in 1980, from which the final drawdown of $85m was made last year. The company said that last year, interest payments on foreign loans amounted to $471m, slightly more than 1982's $480m.

Mr Andres Soriano, San Miguel's new president and chief operating officer (who succeeded his father last March), reported a net profit last year of pesos 403.6m, on total sales of pesos 6.5bn.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for May 9.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alaska Housing 11¾ 94	100	92⅞	93⅜	−0⅝	−1⅝	13.81
American Savings 12 89	125	97½	98	0	−1⅛	12.82
Australia Comm 11¼ 90	100	96⅞	97⅜	−0⅛	−0¼	11.88
Australia Comm 11½ 95	300	90½	91	−0½	−1⅛	13.07
Australia Comm 11⅝ 98	100	89⅝	90⅛	−0⅝	−1⅛	13.07
Australian Ind Dev 11 89	75	92⅞	93⅜	+0¼	−1⅛	13.09
Bank Of Tokyo 11⅞ 90	100	93¼	93¾	+0⅛	−1⅜	13.38
Beneficial O/S Fin 12 91	100	91½	92	−0⅛	−1¾	13.93
Canada 10⅞ 88	500	95	95½	−0⅝	−1¼	12.27
Citicorp O/S 11¾ 89	100	95⅝	96⅛	+0¼	−1⅛	12.38
D.N.C. 11¾ 91 WW	50	92	92½	0	−1⅞	13.54
D.N.C. 11¾ 91 XW	50	91	91½	0	−2	13.79
Denmark Kingdom 12 91	100	92⅛	92⅝	−0⅛	−1⅛	13.77
Denmark Kingdom 12¼ 93	100	93⅜	93⅞	0	−1½	13.43
Digital Equip 11¾ 89	150	95⅝	96⅛	−0¼	−0⅝	12.82
Dutch Mines 11⅞ 91	150	91⅛	91⅝	+0⅛	−1⅛	13.35
E.D.C. 11⅛ 89	150	92⅜	92⅞	−0⅛	−1⅛	13.27
E.E.C. 12 93	50	93¾	94¼	−1⅜	−1¾	13.18
E.I.B. 11½ 90	200	91¼	91¾	−0⅝	−1	13.45
Eksportfinans 11½ 90	100	91⅛	91⅝	−0⅛	−0⅞	13.53
Eurofima 12½ 91	100	95½	96	+0¼	−1⅝	13.47
Gen Elec Credit 11 91 WW	200	91⅜	91⅞	−0¼	−0⅝	12.90
GMAC O/S Fin 11⅞ 90	100	94¾	95¼	−0⅛	−0½	12.52
Gulf & Western 12⅛ 89	100	96¾	97¼	+0⅛	−0⅝	12.97
I.I.I. 12 89	100	94¾	95¼	+0⅝	−0⅞	13.44
Indust Bk Japan 11½ 88	125	93¾	94¼	−0⅝	−0⅞	13.23
Indust Bk Japan 11⅞ 91	100	93¼	93¾	+0¼	−1⅛	13.25
Int Paper O/S Fin 12 91	75	96⅜	96⅞	+0¼	−0⅝	12.75
ITT Finance 11½ 89 WW	125	96¾	97¼	+0⅝	−0⅞	12.23
L.T.C.B. 11⅞ 89	100	93¾	94¼	−0½	−0⅞	13.81
L.T.C.B. 12½ 90	85	96⅛	96⅝	0	−1¼	13.33
Macy O/S 11¾ 91	100	93⅜	93⅞	−0⅛	−1⅜	13.21
Mitsui Trust Fin 12 91	100	93	93½	+0¼	−1	13.56
Montreal City 12½ 91	70	96⅛	96⅝	+0⅛	−1	13.32
Morgan Guaranty 12¼ 88	150	95	95½	0	0	13.32
Nat Gasunie 11¼ 91	75	92⅛	92⅝	+0⅛	−0⅞	12.85
Nippon Credit 11⅞ 90	100	92¾	93¼	+0⅝	−1	13.51
Nippon Tele 11⅞ 90	100	94⅛	94⅝	+0⅛	−1⅛	12.78
Nova Scotia Pro 11¾ 91	100	93½	94	−0½	−1⅜	13.17
Ontario Hydro 11⅝ 94	200	90⅜	90⅞	−1⅜	−2¼	13.38
P.K. Banken 12 90 WW	75	92⅝	93⅛	−0⅛	−1⅛	13.67
Prudential 10⅛ 93 XW	150	82¾	83½	−0⅛	−0⅞	13.31
Quebec Hydro 11½ 92	100	†93¾	94¼	0	−0⅝	12.65
Quebec Province 12¼ 94	150	96¼	96¾	−0⅛	−0⅞	12.87
Royal Bk of Can 11½ 89	100	93⅜	93⅞	+0⅝	−1	13.35
Rural & Ind Bk 12 91	50	94⅛	94⅝	0	−0⅞	13.28
Sears O/S Fin 11½ 88	125	96¼	96¾	−1½	−1¾	12.50
Sears O/S Fin 11⅝ 91	150	93⅜	93⅞	−0⅛	−0⅞	13.07
Sec Pac O/S Fin 11⅝ 89	75	†92	92½	0	0	13.92
Sec Pac O/S Fin 12 92	100	93½	94	−0¼	−1⅜	13.31
S.E.K. 11½ 89	100	92⅝	93⅛	0	−0⅞	13.69
Shearson/Amex 12⅛ 94	100	92⅜	92⅞	−1⅛	−1¼	13.50
Sweden Kingdom 12⅝ 89	200	96⅛	96⅝	0	−0⅞	13.41
Texas Instr Int 11⅞ 87	150	92⅛	92⅝	−0⅛	−1½	13.83
Tokai Asia 12⅛ 91	100	93⅝	94⅛	+0⅛	−1¼	13.65
World Bank 11⅛ 90	200	91	91½	−0⅝	−1⅛	13.31
World Bank 11⅝ 89	200	93½	94	−1⅛	−1⅜	13.19
World Bank 12 93	200	93¾	94¼	−1⅛	−1⅝	13.12
Yasuda Tst&Fin 12⅝ 89	100	95⅝	96⅛	−0⅝	−1	13.66

Average price change On day −0⅝ on week −1⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Allied Chemical 7½ 94	125	99⅛	99⅝	−0¼	−0⅝	7.57
Amca Int'l 8¼ 91	100	100½	101¼	+0⅛	+0½	8.08
A.N.A.S. 8½ 91	150	100⅝	101⅜	+0⅛	−0⅛	8.26
Austria Republic 7⅝ 94	200	98¼	98¾	+0⅛	0	7.84
Baxter Travenol 7½ 94	200	97⅝	98⅛	+0⅛	0	7.56
Credit National 8⅛ 94	200	99½	100	0	−0⅛	8.15
Degussa Int Fin 7½ 94	100	100⅝	101⅛	−0⅛	−0⅝	7.38
E.E.C. 8 92	200	99⅛	99⅝	−0⅝	−0⅛	8.10
E.I.B. 8 91	250	99¾	100¼	+0⅛	−0⅝	8.03
[illegible]						

Average price change [illegible]

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

Average price change [illegible]

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						7.58
[illegible]						7.48
[illegible]						7.73

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						

Average price change [illegible]

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
[illegible]						

Average price change [illegible]

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
[illegible]						
Nissan Motor 5¾ 98	4/83	786	109¾	110¾	−0¾	11.88
Olympus Optical 6¾ 97	12/82	1157.4	99½	100¾	−2	14.69
Ono Pharm'cal Co 3¼ 99	3/84	9468	158	160½	+0⅞	5.19
Orient Leasing 5¼ 98	8/83	2838	151⅜	152⅞	+1⅜	−2.83
Secom 5 98	11/83	2828	197¾	199½	−3¾	4.88
Yamaichi Sec Co 5 98	8/83	448.5	131½	134	+0⅝	−0.42
Yamanouchi Pharm'cal 4 98	10/83	1888	100⅝	101⅛	−0¼	27.07
Nippon Oil Co 2⅜ 92 SF	3/84	1052	117	118	−0½	−1.59
Nippon Shinpan Co 2 92 SF	3/84	891	99¾	100¾	0	20.58
Settsu Paper 2¼ 92 SF	4/84	877	119	121	+0½	−1.37
Asics 5 92 DM	12/83	528	107⅝	108⅝	−0½	17.26
Sun Realty 6¼ 92 DM	2/83	385	191½	192⅛	+2½	−8.86

* No information available-previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week – Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date – Date next coupon becomes effective. Spread – Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. – current coupon. Cu. yld – current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day – Change on day. Cnv. date – First date for conversion into shares. Cnv. price – Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem – Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

OVER-THE-COUNTER

Continued from Page 36

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]					
	17	10	9¾	9¾	
	21	48¾	48¼	48½	
	505	21⅛	21	21	+⅛
	5	7⅞	7⅞	7⅞	−⅛
UFstFd	1401	17⅛	17⅛	17⅛	−⅛
UPres s	131	11⅞	10⅞	11⅞	+1
UnSvcL	24	28⅝	28⅜	28⅝	+⅛
US Ant	65	6⅛	6	6	
[illegible]					